

CEG Investments III LLP

Report and Financial Statements

Period Ended

31 December 2012

Registered Number OC373321 (England & Wales)

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CEG Investments III LLP

**Annual report and financial statements
for the period ended 31 December 2012**

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Designated Members

Anders Strom Investerings AB
Dooba Properties Limited
Varenne Fastigheter 2010 AB
Windward Capital AB
Zimbrine Holding BV

Secretary and registered office

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

Registered number

OC373321

Auditors

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

CEG Investments III LLP

Members' report for the period ended 31 December 2012

The limited liability partnership ("LLP") members ("members") present their report together with the audited financial statements for the LLP's initial period of account from 13 March 2012 to 31 December 2012.

Results and members capital

The statement of comprehensive income is set out on page 5 and shows the result for the period

The members do not propose the withdrawal of capital

Principal activity

The LLP was incorporated on 13 March 2012

The principal activity of the LLP is property investment through the holding of investments in property owning businesses

Review of business

During the period the LLP has made a loss of £4,861 due to the incurrence of expenses necessary to administer the business

Designated Members

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

Anders Strom Investering AB (Appointed 15 October 2012)
Dooba Properties Limited (Appointed 13 March 2012)
Varenne Fastigheter 2010 AB (Appointed 12 June 2012)
Windward Capital AB (Appointed 12 June 2012)
Zimbrine Holding BV (Appointed 13 March 2012)
L'etoile Mystereuse AB (Appointed 12 June 2012, resigned 15 October 2012)

CEG Investments III LLP

Members' report for the period ended 31 December 2012 (*Continued*)

Statement of members' responsibilities in respect of the financial statements

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

The Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008 require the members to prepare financial statements for each financial period. Under these regulations the members have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under these regulations the members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the LLP and of the profit or loss of the LLP for that period.

In preparing these financial statements, the members are required to

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

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

Policies in relation to drawings, capital and profits

The policy for members' drawings is that they are determined by the members on a quarterly basis in line with the terms of the Limited Liability Partnership Deed dated 12 June 2012. These drawings are determined by taking into account the need to retain sufficient funds to finance the working capital and other needs of the business. Drawings will only be taken after these requirements have been met.

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

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

Auditors

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

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

On behalf of the Members



For Dooba Properties Limited
Designated Member

Date 30th September 2013

CEG Investments III LLP

Report of the independent auditors

To the members of CEG Investments III LLP

We have audited the financial statements of CEG Investments III LLP for the period ended 31 December 2012 which comprise the statement of comprehensive income, the statement of financial position, the statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the limited liability partnership's members, as a body, in accordance with the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the limited liability partnership's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the limited liability partnership and the limited liability partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of members and auditors

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the limited liability partnership's affairs as at 31 December 2012 and of its loss for the period then ended, and
- have been properly prepared in accordance with IFRS as adopted by the European Union, and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008.

Opinion on other matters

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

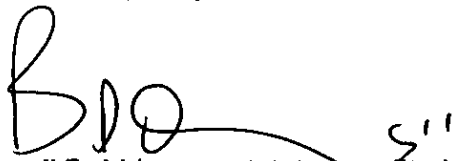
CEG Investments III LLP

Report of the independent auditors (*Continued*)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act as applied to limited liability 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
- we have not received all the information and explanations we require for our audit, or
- the members were not entitled to prepare financial statements in accordance with the small limited liability partnership's regime



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

Date 30 September 2013

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

CEG Investments III LLP

Statement of comprehensive income for the period ended 31 December 2012

	Note	Period ended 31 December 2012 £
Administrative expenses	4	(1,418)
Operating loss		(1,418)
Finance revenue		203,031
Profit on ordinary activities before taxation		201,613
Taxation		-
Profit and total comprehensive income for the financial period before members' remuneration		201,613
Members' remuneration charged as an expense		(206,474)
Loss for the period available for discretionary division among members	10	(4,861)

The notes on pages 8 to 16 form part of these financial statements

CEG Investments III LLP

Statement of financial position at 31 December 2012

	Note	2012 £	2012 £
ASSETS			
Non current assets			
Investments	6		6,080,251
Current assets			
Trade and other receivables	7	6,038,277	
Cash and cash equivalents	12	38,087	
			6,076,364
TOTAL ASSETS			12,156,615
LIABILITIES			
Current liabilities			
Trade and other payables	8		(1,100)
NET ASSETS			12,155,515
Represented by:			
Loans and other debts due from members	10		6,081,920
Members' other interests	10		6,073,595
TOTAL MEMBERS' INTERESTS			12,155,515

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime of the Companies Act 2006 (as applied to small limited liability partnerships)

The financial statements were approved by the members and authorised for issue on 30th September 2013



For Dooba Properties Limited
Designated Member

Registered Number OC373321

The notes on pages 8 to 16 form part of these financial statements

CEG Investments III LLP

Statement of cash flows for the period ended 31 December 2012

	Note	Period ended 31 December 2012 £
Operating activities		
Loss for the financial period		(4,861)
Adjustments for		
Finance revenue		(203,031)
Members' remuneration charged as an expense		206,474
Changes in working capital		
Trade and other receivables		(11,629)
Trade and other payables		1,100
Net cash outflows from operating activities		(11,947)
Investing activities		
Finance revenue		22
Purchase of investments		(6,080,251)
Issue of loans to group undertakings		(5,823,639)
Net cash outflows from investing activities		(11,903,868)
Financing activities		
Proceeds from borrowings from members		5,875,446
Capital introduced by members		6,078,456
Net cash inflows from financing activities		11,953,902
Net movement in cash and cash equivalents	12	38,087
Cash and cash equivalents at the beginning of the period		-
Cash and cash equivalents at the end of the period		38,087

The notes on pages 8 to 16 form part of these financial statements

CEG Investments III LLP

Notes to the financial statements for the period ended 31 December 2012

1 Accounting policies

1.1 Basis of preparation

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

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

The financial statements have been prepared on the historical cost basis.

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

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

1.2 Changes in accounting policies

New standards, interpretations and amendments effective for the current year

The following new standards, interpretations and amendments issued by the International Accounting Standards Board (IASB) or the International Financial Reporting Interpretations Committee (IFRIC) have come into effect and been applied in this first period of account, but have not had a material impact on the financial statements:

- IFRS 7 (Amendment) Disclosures – Transfers of Financial Assets
- IFRS 1 (Amendment) Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
- IAS 12 (Amendment) Deferred Tax – Recovery of Underlying Assets

CEG Investments III LLP

Notes to the financial statements for the period ended 31 December 2012 (Continued)

1.2 Changes in accounting policies (Continued)

Standards and interpretations in issue not yet adopted

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

	Mandatory effective date (periods commencing from)
• IAS 1 (Amendment) Presentation of Items of Other Comprehensive Income	01-Jul-12
• IFRS 13 Fair Value Measurement	01-Jan-13
• IAS 19 (Amendment) Employee Benefits	01-Jan-13
• IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine	01-Jan-13
• IFRS 7 (Amendment) Disclosures – Offsetting Financial Assets and Financial Liabilities	01-Jan-13
• IFRS 1 (Amendment) Government Loans	01-Jan-13
• Annual Improvements to IFRSs 2009-2011 Cycle	01-Jan-13
• IFRS 10 Consolidated Financial Statements	01-Jan-14
• IFRS 11 Joint Arrangements	01-Jan-14
• IFRS 12 Disclosure of Interests in Other Entities	01-Jan-14
• IAS 27 (Amendment) Separate Financial Statements	01-Jan-14
• IAS 28 (Amendment) Investments in Associates and Joint Ventures	01-Jan-14
• IAS 32 (Amendment) Offsetting Financial Assets and Financial Liabilities	01-Jan-14
• IFRS 9 Financial Instruments	01-Jan-15

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

1.3 Revenue recognition

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

Investment revenue is recognised when it accrues, unless collectability is in doubt

1.4 Financial assets

The LLP classifies its financial assets into the category listed below. The LLP has not classified any of its financial assets as held to maturity.

The LLP's accounting policy is as follows

CEG Investments III LLP

Notes to the financial statements for the period ended 31 December 2012 (*Continued*)

1.4 Financial assets

Receivables

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

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the LLP will be unable to collect all the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

The LLP's receivables comprise other receivables (including amounts due from group undertakings) and cash and cash equivalents in the statement of financial position. Receivables are carried at anticipated realisable value.

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

1.5 Financial liabilities

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

The LLP's accounting policy is as follows:

Other financial liabilities

Other financial liabilities include the following items:

- Trade payables and other short-term monetary liabilities are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

1.5 Members' capital

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

1.6 Taxation

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

1.7 Provisions

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

CEG Investments III LLP

Notes to the financial statements for the period ended 31 December 2012 *(Continued)*

1.8 Investment in affiliated entities

Investments by the LLP in affiliated entities are carried at fair value. Where fair value cannot be readily ascertained, the cost method of accounting is applied.

The results of affiliated entities are reflected in the financial statements of the holding LLP only to the extent of distributions receivable.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the income statement.

2 Critical accounting estimates and judgements

The LLP makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The members do not consider that there are any estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3 Financial instruments - Risk management

3.1 Financial risk factors

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

- Credit risk
- Liquidity risk

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

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

Principal financial instruments

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

- Trade and other receivables
- Cash at bank

CEG Investments III LLP

Notes to the financial statements for the period ended 31 December 2012 (Continued)

3.1 Financial risk factors (Continued)

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

Financial assets – loans and receivables

	2012 £
Trade and other receivables – maturity within one year	6,031,978
Cash and cash equivalents – maturity within one year	38,087
	6,070,065

Financial liabilities – at amortised cost

	2012 £
Trade and other payables – maturity within one year	1,100

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

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

(i) Credit risk

The LLP's exposure to credit risk arises from the potential financial loss if counterparty to a financial instrument fails to meet its contractual obligations. It relates principally to the LLP's receivables from group undertakings.

(ii) Liquidity risk

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

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

3.2 Capital risk management

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

CEG Investments III LLP

Notes to the financial statements for the period ended 31 December 2012 (Continued)

4 Administrative expenses

Period ended
31 December
2012

£

Bank charges

318

Audit fee

1,100

1,418

5 Operating loss

The LLP had no employees during the year. The average number of members in the year was 5 all of whom were designated members. No member received any remuneration during the year.

The profit share entitlement of the highest paid member was £Nil as a result of the cumulative realised losses recognised in the statement of comprehensive income to date.

6 Investments

2012

£

Investment in ASE Holdings S A R L

6,080,251

The above investment was acquired during the period. At 31 December 2012, the fair value of the investment was considered to approximate the cost.

ASE Holdings S A R L is a company incorporated in Luxembourg. The investment represents a 24.44% non-controlling interest. ASE Holdings S A R L is a controlling member of a partnership which owns property and rents them out to earn rental income.

CEG Investments III LLP

Notes to the financial statements for the period ended 31 December 2012 (*Continued*)

7 Trade and other receivables

	2012 £
Amounts falling due within one year	
Amounts owed by group undertakings (note 11)	6,026,648
Other receivables	5,330
Total financial assets other than cash and cash equivalents classified as loans and receivables	6,031,978
Tax and social security	6,299
Total trade and other receivables	6,038,277

Fair value approximates to book value at 31 December 2012 as credit risk has been addressed as part of the impairment provisioning and due to the receivables not being subject to ongoing fluctuations in market rates as a result of their short term nature

Amounts owed by group undertakings are unsecured, repayable on demand and attract interest at a rate of 12% per annum

8 Trade and other payables

	2012 £
Accruals	1,100
Total financial liabilities including loans and borrowings classified as financial liabilities measured at amortised cost	1,100
Total trade and other payables	1,100

Due to the short term nature of the payables, they are not subject to ongoing fluctuations in market rates, and so the fair value approximates to book value at 31 December 2012

9 Reserves

<i>Reserves</i>	<i>Description and purpose</i>
Other reserves	Cumulative net gains and losses recognised in the statement of comprehensive income

CEG Investments III LLP

Notes to the financial statements for the period ended 31 December 2012 (Continued)

10 Reconciliation of movement in members' interests

	Members' capital £	Other reserves £	Total £	Loans and other debts due from members £	Total £
Period ended 31 December 2012					
Balance at incorporation on 13 March 2012					
Capital introduced by members	6,078,456	-	6,078,456	-	6,078,456
Loan advanced by members	-	-	-	5,875,446	5,875,446
Loss for the period	-	(4,861)	(4,861)	206,474	201,613
	<u>6,078,456</u>	<u>(4,861)</u>	<u>6,073,595</u>	<u>6,081,920</u>	<u>12,155,515</u>
Amounts due to/(from) members	6,078,456	(4,861)	6,073,595	6,081,920	12,155,515

Loans from members are unsecured and interest is charged at a rate of 12% (see note 11 for details)

11 Related party transactions

Entities forming part of the group headed by ASE Holdings S A R L are considered by the members to be related parties as the LLP has a beneficial interest in this group

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

	Interest due to related parties during the period ended 31 December 2012 £	Amounts owed by related parties as at 31 December 2012 £
ASE Holdings S A R L (Incorporated in Luxembourg)	<u>(203,009)</u>	<u>6,026,648</u>

CEG Investments III LLP

Notes to the financial statements for the period ended 31 December 2012 (Continued)

11 Related party transactions (continued)

The LLP has also received loans from members as follows

	Non-discretionary allocation of profits to related parties during the period ended 31 December 2012 £	Amounts owed to related parties as at 31 December 2012 £
Anders Strom Investering AB	39,891	(1,175,023)
Dooba Properties Limited	63,825	(1,880,038)
Varenne Fastigheter 2010 AB	38,295	(1,128,023)
Windward Capital AB	638	(18,798)
Zimbrine Holding BV	63,825	(1,880,038)

12 Cash and cash equivalents

	2012 £
Cash available on demand	38,087

13 Controlling party information

CEG Investments III LLP is not controlled by any one entity or individual