

Partnership Registration No. OC411321 (England and Wales)

37-41 MORTIMER STREET LLP
REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD 14 APRIL 2016 TO 31 DECEMBER 2016

FRIDAY



A6G0DMX4

A51

29/09/2017

#338

COMPANIES HOUSE

37-41 MORTIMER STREET LLP

LIMITED LIABILITY PARTNERSHIP INFORMATION

Designated members	Averssen Limited CH Capital A Holdings LLC
Members	AR & V Investments Limited CJ O'Shea and Company Limited Daisybox Limited Galliard Holdings Limited
Partnership number	OC411321
Registered office	33 Davies Street London W1K 4LR
Auditor	Ernst & Young LLP 1 More London Place London SE1 2AF

37-41 MORTIMER STREET LLP

CONTENTS

	Page
Members' report	1 - 2
Members' responsibilities statement	3
Independent auditor's report	4 - 5
Group statement of comprehensive income	6
Group statement of financial position	7
Partnership statement of financial position	8
Statement of changes in equity	9
Notes to the financial statements	10 - 17

37-41 MORTIMER STREET LLP

MEMBERS' REPORT

FOR THE PERIOD 14 APRIL 2016 TO 31 DECEMBER 2016

The members present their report and financial statements for the period 14 April 2016 to 31 December 2016.

Incorporation

37-41 Mortimer Street LLP (the "Partnership" or "LLP") was incorporated on 14 April 2016.

Principal activities

The principal activity of the Partnership is that of property investment, development and operating a work, hospitality and lifestyle co-operative for private members.

Going concern

The financial statements have been prepared on a going concern basis, which assumes the Group will be able to meet its liabilities as and when they fall due for the foreseeable future.

In reaching this judgement the Members have considered:

- the financial position of the Group and the partnership; The Group has net current assets of £1,283,157 and net assets of £18,193,459. The Partnership has net current assets of £18,589,315 and net assets of £18,589,815, and
- the current phase of the business's development; the group expects to complete and open its first site in the fourth of 2017 for which Members have reviewed a number of sensitised budget forecasts which indicate the group has sufficient capital to reach cash flow breakeven.

The Partners therefore consider it appropriate to prepare the Group accounts on a going concern basis. The financial statements do not include adjustments that would result if the Group was unable to continue as a going concern.

Members' drawings, contributions and repayments

The members' drawing policy allows each member to draw a proportion of their profit share, subject to the cash requirements of the business.

A member's capital requirement is linked to their share of profit and the financing requirement of the limited liability partnership. There is no opportunity for appreciation of the capital subscribed. Just as incoming members introduce their capital at "par", so the retiring members are repaid their capital at "par".

Designated members

The designated members who held office during the period and up to the date of signature of the financial statements were as follows:

Averssen Limited	(Appointed 14 April 2016)
CH Capital A Holdings LLC	(Appointed 14 April 2016)

Members

The members who held office during the period and up to date of signature of the financial statements were as follows:

AR & V Investments Limited	(Appointed 21 June 2016)
CJ O'Shea and Company Limited	(Appointed 21 June 2016)
Daisybox Limited	(Appointed 21 June 2016)
Galliard Holdings Limited	(Appointed 21 June 2016)

Auditor

Ernst & Young LLP were appointed as auditor to the limited liability partnership and in accordance with section 485 of the Companies Act 2006. A resolution proposing that they be re-appointed will be put at a General Meeting.

37-41 MORTIMER STREET LLP

MEMBERS' REPORT (CONTINUED)

FOR THE PERIOD 14 APRIL 2016 TO 31 DECEMBER 2016

Statement of disclosure to auditor

So far as each member at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the Partnership's auditor is unaware. Having made enquiries of fellow members and the group's auditor, each member has taken all the steps that they are obliged to have taken as members in order to make themselves aware of all relevant audit information and to establish that the auditor is aware of that information.

The financial statements have been prepared in accordance with the provisions applicable to limited liability partnership subject to the small limited liability partnership regime of the Companies Act 2006.

On behalf of the members



Mr J. S. Goldstein

Director

CH Capital A Holdings LLC

Designated Member

29 September 2017

37-41 MORTIMER STREET LLP

MEMBERS' RESPONSIBILITIES STATEMENT

FOR THE PERIOD 14 APRIL 2016 TO 31 DECEMBER 2016

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

Company law (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) requires the members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) 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 limited liability partnership and of the profit or loss of the limited liability partnership 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 limited liability partnership will continue in business.

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

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF 37-41 MORTIMER STREET LLP

We have audited the financial statements of 37-41 Mortimer Street LLP for the period from 14 April 2016 to 31 December 2016 which comprise the Group Statement of Comprehensive Income, the Group and Partnership Statements of Financial Position, the Group and Partnership Statement of Changes in Equity and related notes 1 to 14. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland."

This report is made solely to the Limited Liability Partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied by the Limited Liability Partnerships (Accounts and Audit) (Application of 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's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of members and auditor

As explained more fully in the Members' Responsibilities Statement set out on page 3, 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

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 limited liability partnership's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the designated members; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group and 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, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; 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 Companies Act 2006) Regulations 2008.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF 37-41 MORTIMER STREET LLP

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 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 partnerships' regime and take the advantage of the small companies' in preparing the Member's Report.

A handwritten signature in black ink, appearing to read 'D. Wilson', with a long horizontal flourish extending to the right.

David Wilson (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London

29 SEP 2017

37-41 MORTIMER STREET LLP

GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD 14 APRIL 2016 TO 31 DECEMBER 2016

		Period 14 April 2016 to 31 December 2016 £
	Notes	
Administrative expenses	3	(556,587)
Interest receivable and similar income	5	46
Operating loss		<u>(556,541)</u>
Taxation		-
Loss after taxation		<u>(556,541)</u>
Loss before members' remuneration and profit shares		(556,541)
Members' remuneration charged as an expense		-
Loss available for discretionary division among members		<u>(556,541)</u>
Total comprehensive loss for the period		<u><u>(556,541)</u></u>

All amounts relate to continuing operations.

37-41 MORTIMER STREET LLP

GROUP STATEMENT OF FINANCIAL POSITION

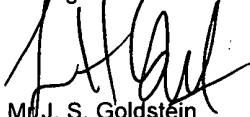
AS AT 31 DECEMBER 2016

	Notes	2016 £	£
Fixed assets			
Intangible assets	6		7,783
Tangible Assets	7		30,493,106
			<u>30,500,889</u>
Current assets			
Debtors	9	127,792	
Cash at bank and in hand		1,600,996	
		<u>1,728,788</u>	
Creditors: amounts falling due within one year	10	(445,631)	
Net current assets			<u>1,283,157</u>
Total assets less current liabilities			<u>31,784,046</u>
Creditors: amounts falling due after more than one year	11		(13,590,587)
Net assets attributable to members			<u><u>18,193,459</u></u>
Represented by:			
Members' other interests			
Members' capital			18,750,000
Profit and loss account			(556,541)
			<u><u>18,193,459</u></u>

Since this is the first period of operations, comparative figures have not been presented.

These financial statements have been prepared in accordance with the provisions applicable to limited liability partnerships subject to the small limited liability partnership regime of the Companies Act 2006.

The financial statements were approved by the members and authorised for issue on 29 September 2017 and are signed on their behalf by:



Mr J. S. Goldstein

Director

CH Capital A Holdings LLC

Designated member

Limited Liability Partnership Registration No. OC411321

37-41 MORTIMER STREET LLP

PARTNERSHIP STATEMENT OF FINANCIAL POSITION

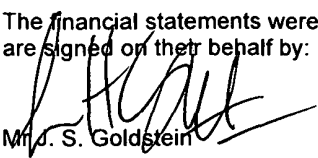
AS AT 31 DECEMBER 2016

	Notes	2016 £	£
Fixed assets			
Investments	8		503
Current assets			
Debtors	9	18,711,065	
Cash at bank and in hand		20,420	
		18,731,485	
Creditors: amounts falling due within one year	10	(142,170)	
Net current assets			18,589,315
Total assets less current liabilities			18,589,818
Creditors: amounts falling due after more than one year	11		(3)
Net assets attributable to members			18,589,815
Represented by:			
Members' other interests			
Members' capital		18,750,000	
Profit and loss account		(160,185)	
		18,589,815	

Since this is the first period of operations, comparative figures have not been presented.

These financial statements have been prepared in accordance with the provisions applicable to limited liability partnerships subject to the small limited liability partnership regime of the Companies Act 2006.

The financial statements were approved by the members and authorised for issue on 29 September 2017 and are signed on their behalf by:


Mr J. S. Goldstein
Director
CH Capital A Holdings LLC
Designated member

Limited Liability Partnership Registration No. OC411321

37-41 MORTIMER STREET LLP

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD 14 APRIL 2016 TO 31 DECEMBER 2016

Group

<i>Group</i>	EQUITY		TOTAL
	Members' other interests		MEMBERS'
			INTERESTS
	Members'	Other	
	capital	reserves	
	£	£	£
Opening as at 14 April 2016	-	-	-
Total comprehensive loss for the period	-	(556,541)	(556,541)
Introduced by members	18,750,000	-	18,750,000
At 31 December 2016	18,750,000	(556,541)	18,193,459

Partnership

<i>Partnership</i>	EQUITY		TOTAL
	Members' other interests		MEMBERS'
	Members'	Other	INTERESTS
	capital	reserves	
	£	£	£
Opening as at 14 April 2016	-	-	-
Total comprehensive loss for the period	-	(160,185)	(160,185)
Introduced by members	18,750,000	-	18,750,000
At 31 December 2016	18,750,000	(160,185)	18,589,815

37-41 MORTIMER STREET LLP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD 14 APRIL 2016 TO 31 DECEMBER 2016

1 Accounting policies

Limited liability partnership information

37-41 Mortimer Street LLP is a limited liability partnership incorporated in England and Wales on 14 April 2016. The registered office is 33 Davies Street, London, W1K 4LR. The Partnership number is OC411321. The Group and Partnership financial statements were approved by the Board on behalf of the members on 29 September 2017.

The limited liability partnerships's principal activities are disclosed in the Members' Report.

1.1 Basis of preparation

These financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" issued in July 2014, together with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime.

The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the limited liability partnership. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention and the principal accounting policies adopted are set out below.

The Partnership has taken the exemption under section 1A.7 of FRS 102 from the requirement to prepare a statement of cash flows for the financial period.

1.2 Basis of consolidation

The group financial statements consolidate the financial statements of 37-41 Mortimer Street LLP and all its subsidiary undertakings drawn up to 31 December 2016. No Partnership statement of comprehensive income is presented for 37-41 Mortimer Street LLP as permitted by section 408 of the Companies Act 2006.

Subsidiaries are consolidated from the date of their acquisition, being the date on which the Group obtains control and continue to be consolidated until the date that such control ceases. Control comprises the power to govern the financial and operating policies of the investee so as to obtain benefit from its activities.

The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting period as the Partnership. Where necessary, adjustments are made to bring the accounting policies used into line with those of the Group. All inter-company balances and transactions, including unrealised profits arising from them are eliminated.

In the parent partnership financial statements, investments in subsidiaries and associates are accounted for at cost less impairment.

37-41 MORTIMER STREET LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD 14 APRIL 2016 TO 31 DECEMBER 2016

1 Accounting policies

(Continued)

1.3 Going concern

The financial statements have been prepared on a going concern basis, which assumes the Group will be able to meet its liabilities as and when they fall due for the foreseeable future.

In reaching this judgement the Members have considered:

- i. the financial position of the Group and the partnership; The Group has net current assets of £1,283,157 and net assets of £18,193,459. The Partnership has net current assets of £18,589,315 and net assets of £18,589,815, and
- ii. the current phase of the business's development; the group expects to complete and open its first site in the fourth of 2017 for which Members have reviewed a number of sensitised budget forecasts which indicate the group has sufficient capital to reach cash flow breakeven.

The Partners therefore consider it appropriate to prepare the Group accounts on a going concern basis. The financial statements do not include adjustments that would result if the Group was unable to continue as a going concern.

1.4 Members' participating interests

Members' participation rights are the rights of a member against the Partnership that arise under the members' agreement (for example, in respect of amounts subscribed or otherwise contributed remuneration and profits).

Members' participation rights in the earnings or assets of the Partnership are analysed between those that are, from the Partnership's perspective, either a financial liability or equity, in accordance with section 22 of FRS 102. A member's participation rights including amounts subscribed or otherwise contributed by members, for example members' capital, are classed as liabilities unless the Partnership has an unconditional right to refuse payment to members, in which case they are classified as equity.

All amounts due to members that are classified as liabilities are presented within 'Loans and other debts due to members' and, where such an amount relates to current year profits, they are recognised within 'Members' remuneration charged as an expense' in arriving at the relevant year's result. Undivided amounts that are classified as equity are shown within 'Members' other interests'. Amounts recoverable from members are presented as debtors and shown as amounts due from members within members' interests.

Once an unavoidable obligation has been created in favour of members through allocation of profits or other means, any undrawn profits remaining at the reporting date are shown as 'Loans and other debts due to members' to the extent they exceed debts due from a specific member.

1.5 Intangible fixed assets

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets are amortised on a straight line basis over their estimated useful lives. The useful economic lives of the intangible assets are as follows:

Trademarks - 10 years

If there are indicators that the residual value or useful life has changed since the most recent annual reporting period, previous estimates shall be reviewed and, if current expectations differ, the residual value, amortisation method or useful life shall be amended. Changes in the expected useful life or the expected pattern of consumption of benefit shall be accounted for as a change in accounting estimate.

37-41 MORTIMER STREET LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD 14 APRIL 2016 TO 31 DECEMBER 2016

1 Accounting policies

(Continued)

1.6 Tangible assets

Tangible assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Freehold Property - 50 years

Computers - 3 years

Depreciation is not charged while the property is under development.

The gain or loss arising on disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

1.7 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

1.8 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and are subject to insignificant risk of changes in fair value.

1.9 Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest and are subsequently measured at amortised cost using effective interest method.

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest and are subsequently measured at amortised costs using the effective interest method.

1.10 Taxation

The taxation payable on the partnership profits is solely the personal liability of the individual members consequently neither partnership taxation nor related deferred taxation arising in respect of the partnership are accounted for in these financial statements.

The tax expense relates to corporate income taxes arising in the Partnership's corporate subsidiaries at a rate of 20%. Current tax liabilities are measured at the amount expected to be paid to the taxation authorities, based on tax rates and laws that are substantively enacted by the balance sheet date.

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. Unrelieved tax losses and other deferred tax assets are recognised only to the extent it is more likely than not that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

37-41 MORTIMER STREET LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD 14 APRIL 2016 TO 31 DECEMBER 2016

1 Accounting policies

(Continued)

1.11 Provisions for liabilities

Provisions are recognised when the limited liability partnership has a legal or constructive present obligation as a result of a past event, it is probable that the limited liability partnership will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

2 Judgements and key sources of estimation uncertainty

In the application of the limited liability partnership's accounting policies, the members are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. 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 period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Impairment of non-financial assets

Where there are indicators of impairment of fixed assets, which indicate that the carrying value may not be recoverable, the Group performs impairment tests on these investments based on the fair value by comparing the carrying value with its recoverable amount, being the higher of its fair value, less costs to sell and its value in use.

3 Operating loss

	Group 2016	Partnership 2016
Operating loss for the period is stated after charging:	£	£
Fees payable to the LLP's auditor for the audit of the LLP's financial statements	62,000	19,500
Amortisation of intangible assets	484	-
	<u> </u>	<u> </u>

4 Employees

The average number of persons employed by the Group during the period was 1. The average number of persons employed by the Partnership during the period was nil.

37-41 MORTIMER STREET LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD 14 APRIL 2016 TO 31 DECEMBER 2016

5	Interest receivable and similar income	Group 2016 £		Partnership 2016 £	
	Interest income				
	Interest on bank deposits	46		46	
6	Intangible fixed assets	Group Trademarks £		Partnership Trademarks £	
	Cost				
	At 14 April 2016	-		-	
	Additions	8,267		-	
	At 31 December 2016	8,267		-	
	Amortisation				
	At 14 April 2016	-		-	
	Amortisation charged for the period	484		-	
	At 31 December 2016	484		-	
	Carrying amount				
	At 31 December 2016	7,783		-	
7	Tangible assets	Group Freehold property 2016 £		Group Computers 2016 £	
	Cost			Group Total 2016 £	
	At 14 April 2016	-	-	-	-
	Additions	30,491,657	1,449	30,493,106	-
	At 31 December 2016	30,491,657	1,449	30,493,106	-
	Carrying amount				
	At 31 December 2016	30,491,657	1,449	30,493,106	-

37-41 MORTIMER STREET LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD 14 APRIL 2016 TO 31 DECEMBER 2016

8	Investments	Group 2016 £	Partnership 2016 £
	Cost		
	At 14 April	-	-
	Additions	-	503
	At 31 December 2016	-	503

The Partnership is a 100% shareholder in 37-41 Mortimer Opco Limited, 37-41 Mortimer GP Limited and Maslow's UK Services Limited. The Partnership is also a 99.99% shareholder in 37-41 Mortimer Unit Trust.

37-41 Mortimer Opco Limited is a company registered in England and Wales under company number 10184501 whose principle activity is to operate a work, hospitality and lifestyle cooperative for private members.

37-41 Mortimer GP Limited is a company registered in England and Wales under company number 10177529 whose principle activity is to act as a general partner of 37-41 Mortimer Limited Partnership, a limited partnership developing a property in the West End of London for commercial use.

Maslow's UK Services Limited is a company registered in England and Wales under company number 10184503 whose principle activity is to provide support and administration services.

37-41 Mortimer Unit Trust is a trust registered in Jersey whose principle activity is to participate in the indirect acquisition of UK situated real estate.

In order to assess whether an impairment of the investment carrying values of the subsidiaries was required, a comparison was made between the carrying value of the investments and the recoverable amount on an individual entity basis. The recoverable amount represents the assets' greatest value to the company in terms of the cashflows that it can generate from value in use or disposal.

9	Debtors	Group 2016 £	Partnership 2016 £
	Amounts falling due within one year:		
	Amounts due from subsidiary undertakings	-	18,711,065
	Other debtors	90,305	-
	Prepayments and accrued income	37,487	37,487
		127,792	18,748,552

Amounts due from subsidiary undertakings relates to loans from 37-41 Mortimer Street LLP to underlying entities with respect to operating cash, which is repayable on demand without restrictions. Accordingly this has been classified as current.

37-41 MORTIMER STREET LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD 14 APRIL 2016 TO 31 DECEMBER 2016

10	Creditors: amounts falling due within one year	Group 2016 £	Partnership 2016 £
	Trade creditors	372,909	45,000
	Amounts due to group undertakings	-	73,541
	Other taxation and social security	-	3,629
	Other creditors	10,242	500
	Accruals and deferred income	62,480	19,500
		<u>445,631</u>	<u>142,170</u>
11	Creditors: amounts falling due after more than one year	Group 2016 £	Partnership 2016 £
	Bank loans and overdrafts	13,590,587	-
	Amounts due to group undertakings	-	3
		<u>13,590,587</u>	<u>3</u>

The freehold property has been pledged as security for a bank acquisition loan. The acquisition loan is a 3.25% margin plus LIBOR secured facility of £21,900,000 with a maturity date of either the earlier of 5 years from the date of practical completion or 23 June 2023.

12 Ultimate parent company

The immediate parent undertakings of the Partnership is as follows:

Averssen Limited, 20.8%, an entity incorporated in British Virgin Islands;
CH Capital A Holdings LLC, 45.7%, an entity incorporated in the US;
Galliard Holdings Limited, 10.7%, an entity incorporated in England and Wales;
AR & V investments Limited, 7.6%, an entity incorporated in England and Wales;
CJ O'Shea and Company Limited, 7.6%, an entity incorporated in England and Wales;
Daisybox Limited, 7.6%, an entity incorporated in England and Wales.

The parent undertakings of the group of which the Company is a member and for which group accounts are prepared is Cain Hoy Enterprises LP of 600 Steamboat Road, Greenwich, Connecticut, 06830, USA. The financial statements of these entity are not publicly available.

13 Related party transactions

The Partnership paid support service fees of £49,808 to Cain Hoy Enterprises (UK) Limited, a subsidiary of Cain Hoy Enterprises LP, part of the group of which CH Capital A Holdings LLC is also a member.

Under FRS 102 section 1AC.35, disclosure is not given of transactions between two or more members of a group, provided that the subsidiary which is a party to the transaction is wholly-owned by such a member.

37-41 MORTIMER STREET LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD 14 APRIL 2016 TO 31 DECEMBER 2016

14 Subsequent events

On 23 June 2016, the UK voted to exit from the EU in the EU referendum vote. The impact of this is currently unknown, however it is expected to impact the UK and European economies in both the short and long term. We will continue to monitor the impacts of this decision as negotiations progress and determine the impact these are likely to have, if any, on 37-41 Mortimer Street LLP.