Company Number: 05502438

FAIRHOLD HOMES INVESTMENT (NO.9) AL LIMITED

ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2016

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REPORT OF THE DIRECTORS

The Directors present their report and the audited financial statements for the period ended 31 March 2016. The Company changed its period end date from 31 October to 31 March on 25 January 2016 therefore these accounts are for the period from 1 November 2014 to 31 March 2016.

INCORPORATION

Fairhold Homes Investment (No.9) AL Limited (the "Company") was incorporated in the United Kingdom under the laws of England and Wales on 7 July 2005.

ACTIVITIES

The principal activity of the Company is property investment. Previously, it acted as a holding company for subsidiary companies engaged in property investment.

On 15 February 2016 the Board of the parent of the Company, Boardwalk Finance DAC, approved a restructuring within the group. The restructuring was approved by the Board of the Company on 11 March 2016. The restructuring steps involved the Company receiving a transfer of the Investment Property held by its subsidiary together with the assignment of any rental arrears. Immediately subsequent to the property transfer a rationalisation of intercompany balances took place between the Company and its subsidiary to the extent possible. Subsequent to this step, the Company received a distribution from its subsidiary of any remaining net assets of the subsidiary (the subsidiary became dormant following the restructuring). The restructuring took place on 31 March 2016.

RESULTS AND DIVIDENDS

The results for the period are shown on page 6. The Directors do not recommend the payment of a dividend for the period (2014: £nil).

DIRECTORS

The Directors who held office during the period and up to the date of approval of the financial statements were:

J.C Bingham	
M.C Schnaier	(resigned 5 November 2015)
Z.P Yates	(appointed 5 November 2015)

REGISTERED OFFICE

(From 20 July 2015)	**(Up to 19 July 2015)**
Asticus Building, 2nd Floor	Pollen House, 2nd Floor
21 Palmer Street	10 Cork Street
London SW1H 0AD	London W1S 3NP

COMPANY SECRETARY

The secretary of the Company during the period and subsequently was Sanne Group Secretaries (UK) Limited.

INDEPENDENT AUDITORS

PricewaterhouseCoopers resigned as the Company's auditor during the period. Deloitte were appointed as auditors during the period and have confirmed their willingness to continue.

DIRECTORS' CONFIRMATION

Each of the Directors who was a Director at the time when this report is approved confirms that:

- So far as each Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- Each Director has taken all the steps that ought to have been taken as a Director, including making appropriate enquiries of fellow Directors and the Company's auditors for that purpose, in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

REPORT OF THE DIRECTORS - (CONTINUED)

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

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

The Directors are required to prepare financial statements for each financial period under the Companies Act 2006. As permitted by that law, the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards as endorsed for use in the European Union ("IFRSs"). The financial statements are required to give a true and fair view of the state of affairs of the Company and the profit or loss of the Company for that period.

International Accounting Standard 1 requires that financial statements present fairly for each financial period the Company's financial position, financial performance and cash flows. This requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the International Accounting Standards Board's 'Framework for the preparation and presentation of financial statements'. In virtually all circumstances, a fair presentation will be achieved by compliance with all applicable IFRSs.

However, Directors are also required to:

* properly select and apply accounting policies;
* present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
* provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
* make an assessment of the Company's ability to continue as a going concern.

The Directors are also responsible for keeping proper accounting records that are sufficient to show and explain its transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors confirm they have complied with the above requirements throughout the period and subsequently.

Financial risk management

The Directors have considered the financial risk factors and mitigations identified and disclosed in note 3 of the financial statements.

BY ORDER OF THE BOARD

Authorised Signatory
Director JASON BINGHAM
Date: 12/10/2016

Deloitte.

Deloitte
Chartered Accountants &
Statutory Audit Firm

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FAIRHOLD HOMES INVESTMENT (NO. 9) AL LIMITED

We have audited the financial statements of Fairhold Homes Investment (No. 9) AL Limited for the period ended 31 March 2016 which comprises of the Statement of Profit or Loss and Other Comprehensive Income, Statement of Financial Position, Statement of Cash Flows, Statement of Changes in Equity and the related notes 1 to 16. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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

Respective responsibilities of directors and auditor
As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the 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 company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements
In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its profit for the period then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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Deloitte.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FAIRHOLD HOMES INVESTMENT (NO. 9) AL LIMITED

Matters on which we are required to report by exception

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

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

Michael Hartwell
For and on behalf of Deloitte
Chartered Accountants and Statutory Auditor
Dublin, Ireland

28 October 2016

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE PERIOD ENDED 31 MARCH 2016

(EXPRESSED IN BRITISH POUNDS)

	Notes	1 Nov 2014 to 31 Mar 2016 £'000	1 Jan 2014 to 31 Oct 2014 £'000
INCOME			
Dividend income	2	5,048	-
EXPENSES			
Administrative expenses		(22)	(4)
Audit fee		(12)	(8)
Write down of investment in subsidiary	4	(757)	-
Write off of amounts owed by related parties	6	-	(2,710)
OPERATING PROFIT / (LOSS)		4,257	(2,722)
FINANCE INCOME / COSTS			
Interest income		34	54
Interest expense		(291)	(487)
PROFIT / (LOSS) BEFORE TAX		4,000	(3,155)
Corporation tax expense	10	-	-
TOTAL PROFIT / (LOSS) FOR THE PERIOD		4,000	(3,155)

(The notes on pages 10 to 22 form part of these audited financial statements)

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2016

(EXPRESSED IN BRITISH POUNDS)

	Notes	As at: 31 March 2016 £'000	As at: 31 October 2014 £'000
ASSETS			
Non-current assets			
Investment in subsidiary	4	-	757
Investment properties	5	6,563	-
		6,563	757
Current assets			
Loans receivable	6	-	1,583
Receivables	7	15	2
Cash and cash equivalents		42	-
		57	1,585
TOTAL ASSETS		6,620	2,342
LIABILITIES AND EQUITY			
Current liabilities			
Payables	8	3,228	2,950
Non-current liabilities			
Loans payable	9	1,978	1,978
TOTAL LIABILITIES		5,206	4,928
Equity			
Share capital	11	100	100
Share premium	11	2,781	2,781
Retained loss		(1,467)	(5,467)
TOTAL EQUITY		1,414	(2,586)
TOTAL LIABILITIES AND EQUITY		6,620	2,342

The financial statements were approved and authorised for issue by the Board of Directors on the 12 day of October 2016 and were signed on its behalf by:

Director: J-BG

JASON BINGHAM

(The notes on pages 10 to 22 form part of these audited financial statements)

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 31 MARCH 2016

(EXPRESSED IN BRITISH POUNDS)

	Share capital £'000	Share premium £'000	Retained (loss) / profit £'000	Total £'000
Balance at 1 January 2014	100	-	(2,312)	(2,212)
Issue of shares	-	2,781	-	2,781
Total loss for the period	-	-	(3,155)	(3,155)
Balance at 31 October 2014	100	2,781	(5,467)	(2,586)
Total profit for the period	-	-	4,000	4,000
Balance at 31 March 2016	100	2,781	(1,467)	1,414

(The notes on pages 10 to 22 form part of these audited financial statements)

STATEMENT OF CASHFLOWS

FOR THE PERIOD ENDED 31 MARCH 2016

(EXPRESSED IN BRITISH POUNDS)

	1 Nov 2014 to 31 Mar 2016 £'000	1 Jan 2014 to 31 Oct 2014 £'000
Cash flows from operating activities		
Total profit / (loss) for the period	4,000	(3,155)
Adjustments for:		
Dividend income from hive up	(5,048)	-
Write down of investment in subsidiaries	757	
Net current liabilities transferred on hive up	66	-
Write off of amounts owed by related parties	-	2,710
Interest income	-	(54)
Capitalised shareholder loan in the period	200	-
Changes in working capital:		
Increase in receivables	(13)	(2)
Increase / (decrease) in payables	80	(82)
Net cash generated from / (used in) operating activities	42	(583)
Cash flows from investing activities		
Net loan repayments from subsidiary undertaking	-	184
Net loan repayments from related parties	-	27
Interest received	-	22
Net cash generated from investing activities	-	233
Cash flows from financing activities		
Proceeds from issuance of shares	-	2,781
Net repayment of borrowings	-	(2,431)
Net cash generated from financing activities	-	350
Net increaset in cash and cash equivalents	42	-
Cash and cash equivalents at the beginning of the period	-	-
Cash and cash equivalents at the end of the period	42	-

(The notes on pages 10 to 22 form part of these audited financial statements)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2016

1. GENERAL INFORMATION

Fairhold Homes Investment (No.9) AL Limited (the "Company") was incorporated in the United Kingdom under the laws of England and Wales on 7 July 2005.

The principal activity of the Company is property investment. Previously, it acted as a holding company for subsidiary companies engaged in property investment.

On 15 February 2016 the Board of the parent of the Company, Boardwalk Finance DAC, approved a restructuring within the group. The restructuring was approved by the Board of the Company on 11 March 2016. The restructuring steps involved the Company receiving a transfer of the Investment Property held by its subsidiary together with the assignment of any rental arrears. Immediately subsequent to the property transfer a rationalisation of intercompany balances took place between the Company and its subsidiary to the extent possible. Subsequent to this step, the Company received a distribution from its subsidiary of any remaining net assets of the subsidiary (the subsidiary became dormant following the restructuring). The restructuring took place on 31 March 2016.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Basis of preparation

The Company has prepared these financial statements which comply with International Financial Reporting Standards as endorsed for use in the European Union ("IFRSs") together with the comparative period data as at and for the period ended 31 October 2014, as described in the summary of significant accounting policies.

The more significant policies are set out below:

Consolidated financial statements

The financial statements of the subsidiary have not been consolidated with the Company's financial statements as the Company itself is a wholly-owned subsidiary of Boardwalk Finance DAC, incorporated in Ireland. Boardwalk Finance DAC prepares consolidated financial statements that comply with IFRSs and which are publicly available.

Investment in subsidiaries

The investment in subsidiary of the Company is stated at cost, less any impairment in recoverable value.

<u>New Accounting Standards, amendments to existing Accounting Standards and / or interpretations of existing Accounting Standards (separately or together, "New Accounting Requirements") adopted during the period</u>

The following new standards and amendments relevant to the Company, became effective in the current period:

The Directors have assessed the impact, or potential impact, of all New Accounting Requirements. In the opinion of the Directors, there are no mandatory New Accounting Requirements applicable in the current period that had any material effect on the reported performance, financial position, or disclosures of the Company. Consequently, no mandatory New Accounting Requirements are listed.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Non-mandatory New Accounting Requirements not yet adopted

All non-mandatory New Accounting Requirements are either not yet permitted to be adopted, or would have no material effect on the reported performance, financial position, or disclosures of the Company and consequently have neither been adopted, nor listed.

Standards and amendments to existing standards that are not yet effective and have not been early adopted by the Company

IFRS 9, "Financial Instruments"

IFRS 9 addresses the recognition, classification and measurement of financial assets and financial liabilities and may be adopted to replace IAS 39.

IFRS 9 requires financial assets to be classified into two measurement categories: (i) those measured at fair value; and (ii) those measured at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument.

For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch.

IFRS 9 also replaces the "incurred loss" model in IAS 39 with an "expected credit loss" model for the measurement of impairment loss. The new model applies to financial assets that are not measured at fair value through profit or loss.

The mandatory effective date for application of IFRS 9 is for accounting periods beginning on or after 1 January 2018, but early adoption is permitted at any time. The Company intends to adopt IFRS 9 no later than the mandatory effective date. In the Directors' opinion, early adoption of IFRS 9 would have no material impact on the recognition, measurement or disclosures relating to its financial instruments.

Amendments to IAS 1, "Presentation of financial statements" - Disclosure initiative – effective date 1 January 2016

Amendments to IAS 1 clarify the information should not be obscured by aggregating or by providing immaterial information, materiality considerations apply to all the parts of the financial statements, and even when a standard requires a specific disclosure, materiality considerations do apply. It also clarifies that the list of line items to be presented in these statements can be disaggregated and aggregated as relevant and additional guidance on subtotals in these statements and clarification that an entity's share of other comprehensive income of equity-accounted associates and joint ventures should be presented in aggregate as single line items based on whether or not it will subsequently be reclassified to profit or loss. The standard is not expected to have a material impact on the financial statements.

The mandatory effective date for application of Amendments to IAS 1 is for accounting periods beginning on or after 1 January 2016, but early adoption is permitted at any time. The Company intends to adopt Amendments to IAS 1 no later than the mandatory effective date.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Standards and amendments to existing standards that are not yet effective and have not been early adopted by the Company - (continued)

IFRS 15, "Revenue from contracts with customers" (Replacement of IAS 18 — "Revenue" and IAS 11 - "Construction contracts" and related interpretations) – effective date 1 January 2018

IFRS 15 deals with revenue recognition and establishes the principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contacts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service.

The mandatory effective date for application of IFRS 15 is for accounting periods beginning on or after 1 January 2018, but early adoption is permitted, subject to EU adoption. The Company is assessing the impact of IFRS 15 but believe this will not have any impact.

IFRS 16 "Leases" (Replacement of IAS 17 — "Leases") – effective date 1 January 2019

IFRS 16 addresses the recognition and classification of leases and will replace IAS 17.

IFRS 16 specifies how an IFRS reporter will recognise, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17. The Company is assessing the impact of IFRS 16 but believe this will not have any impact.

The mandatory effective date for application of IFRS 16 is for accounting periods beginning on or after 1 January 2019, but early adoption is permitted, if IFRS 15 is also applied.

There were no other new accounting requirements having a bearing on the operating activities and disclosures of the Company, and consequently have not been listed.

Going concern

As at 31 March 2016 the Directors believe that the Company has adequate resources to continue in operational existence. This conclusion has been reached based on reviews conducted in relation to the future performance and cash flow forecasts for the foreseeable future. Accordingly, the Directors deem the going concern basis to be appropriate in preparing these financial statements.

The Company has also received a letter of support from its parent company confirming that the intercompany loan as disclosed in note 8 will not be recalled for a period of at least 12 months from the date of signing these financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Income and Cashflow Statements

The Company presents its Statement of Profit or Loss and Other Comprehensive Income by nature of expense.

The Company reports Cash Flows using the indirect method.

The acquisitions of investment in subsidiaries are disclosed as cash flows from investing activities because this most appropriately reflects the Company's business activities.

Investment property

Investment property comprises of property that is not occupied by the Company and is held to earn rental income, or for capital appreciation, or both. The Directors have elected to adopt the "fair value model" as defined under IAS 40 (Investment Property). Property held under a lease is classified as investment property when the definition of an investment property is met.

Investment property is measured initially at cost including transaction costs. Transaction costs include transfer taxes, professional fees for legal services and initial leasing commissions to bring the property to the condition necessary for it to be capable of operating. The carrying amount also includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met. Subsequent expenditure is charged to an investment property's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the expenditure can be reliably measured. All other repairs and maintenance costs are charged to the Statement of Profit or Loss and Other Comprehensive Income during the financial period in which they are incurred.

Subsequent to initial recognition, investment property is stated at fair value. The investment property held relates to reversionary interests in freehold land and have been valued based upon a discounted cash flow model. The Directors have determined that a discounted cash flow model is the most appropriate method to estimate the fair value of the investment property and these have been valued independently by Long Harbour Limited.

Gains or losses arising from changes in the fair values are included in the Statement of Profit or Loss and Other Comprehensive Income in the period in which they arise.

Cash and cash equivalents

For the purposes of these financial statements, cash comprises of cash on hand and demand deposits while cash equivalents are short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to insignificant changes in value.

Receivables

Receivables are recognised initially at fair value and are subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Given the nature of the receivables, however, and the short time involved between their origination and settlement, their amortised cost is the same as their fair value at the date of origination.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Payables

Payables are recognised initially at fair value and are subsequently measured at amortised cost using the effective interest method. Given the nature of the payables, however, and the short time involved between their origination and settlement, their amortised cost is the same as their fair value at the date of origination.

Loans receivable and payable

Loans receivable and payable are recognised initially at fair value net of attributable transaction costs. Subsequent to initial recognition, loans are stated at amortised cost using the effective interest rate method.

Foreign currencies

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates; its functional currency. As all investments held by the Company and financing received by the Company are in British Pounds (GBP), this is considered to be the functional currency of the

Monetary assets and liabilities are translated into GBP at the rate of exchange ruling at the Statement of Financial Position date. Foreign exchange gains or losses resulting from settlement of such transactions and from the translation at the period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised by the Company in the Statement of Profit or Loss and Other Comprehensive Income.

Dividend income

Dividend income is recognised when such is declared by the directors of the subsidiary.

Critical accounting estimates and judgements in applying accounting policies

Estimates and judgements are continually evaluated and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. No critical accounting judgements have been made in the preparation of these financial statements.

The investment property is valued using a discounted cash flow model. Periodic valuations are undertaken by the Directors, and in assessing the periodic valuation, the methodology is to estimate future cash flows discounted to their present value over an estimated useful economic life, using pre-tax discount rates that reflect the current market assessment of the time value of money and the risks specific to the asset. By necessity a valuation requires subjective judgements that, even if logical and appropriate may differ from those made by a purchaser, or another party undertaking a valuation. With respect to the methodology adopted judgements and estimates were used primarily in estimating an appropriate discount rate.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Critical accounting estimates and judgements in applying accounting policies - (continued)

The investment property assets held relate to reversionary interests in freehold land. As such, these assets are in substance like financial investments as they generate income in the form of annual ground rents and other ancillary income streams.

The Company's investment properties were stated without adjustment at the value calculated by the discounted cash flow methodology. The Directors are satisfied that this is the best available estimate of the fair value of the Company's investment property as at 31 March 2016.

3. FINANCIAL RISK FACTORS

The Directors carry out the risk management function in respect of financial risks within the Company. Financial risks are risks arising from financial instruments to which the Company is exposed during or at the end of the reporting period. Financial risk comprises of market risk (including interest rate risk, currency risk and other price risk), credit risk and liquidity risk. The primary objectives of the financial risk management function are to establish risk limits, and then ensure that exposure to risks stays within these limits.

The Company's financial assets and financial liabilities comprises of cash and cash equivalents, trade and other receivables, trade payables and borrowings that arise directly from its operations.

The main risks arising from the Company's financial instruments are credit risk, liquidity risk and market risk. The Directors review and agree policies for managing its risk exposure. These policies are described below and have remained unchanged for the period under review.

a) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company is exposed to credit risk through its investment properties, as in the event of default by an occupational tenant in the property, the Company would suffer a rental income shortfall. The Directors believe that the Company does not have a concentration of credit risk as the Investment Property portfolio comprises of 373 units (31 October 2014: nil units) let to different tenants.

The Company's maximum exposure to credit risk by class of financial asset is as follows:

	31 Mar 2016	31 Oct 2014
	£'000	£'000
Loans receivable	-	1,583
Trade and other receivables	15	2
Cash and cash equivalents	42	-
	57	1,585

NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2016

3. FINANCIAL RISK FACTORS - (CONTINUED)

a) Credit risk - (continued)

The fair value of cash and cash equivalents, trade and other receivables and loans receivable at 31 March 2016 and 31 October 2014 approximates the carrying value. Further details regarding loans receivable and trade and other receivables and can be found in note 6 and note 7 respectively. Trade and other receivables are fully recoverable. Cash risk is mitigated as cash and cash equivalents are held with the following reputable institutions:

Bank	Rating
Coutts	Not rated
RBSI	BBB+

Ground rents receivable by the Company provide long term, stable rated income and failure to pay can lead to forfeiture of the tenants' long term lease and a windfall gain to the freeholder. The Company has policies in place to monitor the credit quality of receivables on an ongoing basis.

There is no credit risk associated with the Company's financial liabilities.

b) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities.

The Company's liquidity position is reviewed on a quarterly basis by the Directors.

The Company's investments comprise only of investment property assets that relate to reversionary interests in freehold land. Property and property related assets are inherently difficult to value due to the individual nature of each property. As a result, valuations are subject to substantial uncertainty. There is no assurance that the estimates resulting from the valuation process would reflect the actual sales price even where such sales occur shortly after the valuation date.

The table below summarises the Company's exposure to liquidity risk:

	31 Mar 2016 £'000	31 Oct 2014 £'000
Financial assets - due within one year		
Loans receivable	-	1,583
Trade and other receivables	15	2
Cash and cash equivalents	42	-
	57	1,585

The Company has issued a letter of support to its subsidiary confirming that the Company will cover running costs and liquidation costs, as the subsidiary is liquidated, which is expected to occur as soon as practicable.

	31 Mar 2016 £'000	31 Oct 2014 £'000
Financial liabilities - due within one year		
Trade and other payables and loans due on demand	(3,228)	(2,950)

3. FINANCIAL RISK FACTORS - (CONTINUED)

b) Liquidity risk - (continued)

As described below the Company has the benefit of confirmation from its parent company that the Shareholder Loans payable will not be demanded for repayment within 12 months from the date of approval of these financial statements.

	31 Mar 2016	31 Oct 2014
	£'000	£'000
Financial liabilities - due after more than one year		
Loans payable - Senior Loan	(1,978)	(1,978)

c) Foreign exchange risk

The Company has no significant exposure to foreign currency risk as at 31 March 2016 and 31 October 2014.

d) Price risk

The Company is exposed to property rental risk. As at 31 March 2016, the fair value of the properties has been estimated with reference to a valuation based upon a discounted cash flow model.

The Company is not exposed to market risk with respect to financial instruments as it does not hold any marketable financial instruments.

e) Cash flow and fair value interest rate risk

The Company has no significant interest-bearing assets.

The Company has entered into a fixed rate loan payable to its parent company, with interest payable at a rate of 4.7% per annum. The Company is exposed to cash flow risk to the extent that the rental income received from the tenant is not sufficient to meet the loan interest obligations. The shareholder loan payable to the parent company is repayable on demand (as detailed in note 8), however the Company has received confirmation that repayment will not be demanded for a period of at least 12 months from the date of approval of these financial statements. Accordingly the Directors believe that the cash flow risk is being managed.

Trade and other receivables and payables are interest-free and have settlement dates within one year.

f) Sensitivity analysis

IFRS 7 requires disclosure of 'sensitivity analysis' for each type of market risk to which the entity is exposed to at the reporting date, showing how profit or loss and equity would have been affected by changing the relevant risk variables that were reasonably possible at that date.

The Company does not have significant variable exposure to interest rate, price or foreign exchange risk and therefore no sensitivity analysis for these risks has been disclosed.

4. INVESTMENT IN SUBSIDIARY

	31 Mar 2016	31 Oct 2014
	£	£
Cost at the start of the period	757,245	757,245
Write down of carrying amount	(757,243)	-
Cost at the end of the period	2	757,245

During the period the subsidiary became dormant and accordingly the carrying value of the investment in subsidiary was written down to the net asset value of the company.

The Company holds 100% of the ordinary share capital of Fairhold Homes (No.12) Limited, a company established in England and Wales whose principal activity is property investment.

The registered office address of the subsidiary is Asticus Building, 2nd Floor, 21 Palmer Street, London, SW1H 0AD.

5. INVESTMENT PROPERTY

On 31 March 2016 the Company received a transfer of all of the Investment Property held by its subsidiary at fair value, initially funded by an intercompany payable. The Investment Property was the subject of a Debenture between the Company and its subsidiary. The Company entered into a Deed of Release of the security to enable the transfer of Investment Property to take place. Rental arrears were also transferred to the Company further to a Rental Arrears Assignment Deed. Since the transfer took place at 31 March 2016, there is no revaluation in relation to the investment property received. The investment property was valued using a discounted cash flow model consistent with the prior period valuation technique, when the investment property was held by the subsidiary.

	31 Mar 2016	31 Oct 2014
Freehold land	£'000	£'000
Cost at the start of the period	-	-
Freehold properties transferred at fair value	6,563	-
Cost at the end of the period	6,563	-
Unrealised gain on the revaluation of investments at the start of the period	-	-
Unrealised revaluation gain during the period	-	-
Unrealised gain on the revaluation of investments at the end of the period	-	-
Fair value at the end of the period	6,563	-

The Company's investment property comprises of 373 units (31 October 2014: nil units) and was revalued on 31 March 2016 to £6,562,626 prior to the transfer.

5. INVESTMENT PROPERTY - (CONTINUED)

Fair value

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Details of the Company's investment properties and information about the fair value hierarchy as at 31 March 2016 are as follows:

31 March 2016	**Level 1**	**Level 2**	**Level 3**
Assets	**£'000**	**£'000**	**£'000**
Residential units located in the UK	-	-	6,563

31 October 2014	**Level 1**	**Level 2**	**Level 3**
Assets	**£'000**	**£'000**	**£'000**
Residential units located in the UK	-	-	-

There were no transfers between the hierarchy levels during the period. A reconciliation of the level 3 positions is provided in the Freehold land table above.

The most significant unobservable input relates to the discount rates used. The discount rate is estimated to reflect current market assessment of the time value of future cash flows and the risks specific to the asset.

The following sensitivity analysis has been performed by management, with all other things being equal:

An increase in the discount rate of 0.05% would result in a reduction in the portfolio valuation by £109,102 (31 October 2014: £nil).

A decrease in the discount rate of 0.05% would result in an increase in the portfolio valuation by £112,158 (31 October 2014: £nil).

The investment property and all other assets of the Company are pledged as collateral under a first floating charge in favour of Boardwalk Finance DAC, the immediate parent company of the Company, with respect to the Senior Loan finance received from that company.

6. LOANS RECEIVABLE

	31 Mar 2016	31 Oct 2014
	£'000	£'000
Amounts owed by subsidiary undertaking	-	1,583

On 31 March 2016, as part of the restructuring steps described in Note 1, a rationalisation of intercompany loans took place and the loans previously receivable from subsidiary were netted-off against loans payable following the transfer of the investment property.

The remainder of the amounts owed by related parties at 31 December 2013, together with accrued interest, was written off during the prior period, as part of the elimination of existing debt between the Company and other members of its group.

7. RECEIVABLES

Due within one year	31 Mar 2016	31 Oct 2014
	£'000	£'000
Trade receivables	15	-
Prepayments and accrued income	-	2
	15	2

8. PAYABLES

Due within one year	31 Mar 2016	31 Oct 2014
	£'000	£'000
Amounts due to parent company - shareholder loan	3,123	2,925
Accruals and deferred income	105	25
	3,228	2,950

On 14 October 2014 the Company entered into a Shareholder Loan Agreement with Boardwalk Finance DAC, its immediate parent company, for an amount up to £2,925,416 or such other amount as may be agreed between the Company and Boardwalk Finance DAC from time to time in order to refinance its previously owned Junior Loan provided. The loan bore interest at a rate of 0% and was repayable on demand. The terms of the Shareholder Loan were amended by an Amended and Restated Shareholder Loan Agreement on 8 June 2015. Interest is payable semi-annually on 25 March and 25 September at a rate of 6.5% per annum. The loan is repayable on such dates as agreed between Boardwalk Finance DAC and the Company.

In the event that the Company cannot fully pay Shareholder Loan interest due, thus the Amended and Restated Shareholder Loan Agreement allows for these amounts to be capitalised. This resulted to an increase of the loan by £197,937 (period ended 31 October 2014: £nil).

9. LOANS PAYABLE

	31 Mar 2016	31 Oct 2014
	£'000	£'000
Amounts due to parent company - senior loan	1,978	1,978

On 10 October 2014 the Company entered into a Senior Loan Agreement with Boardwalk Finance DAC. The Company drewdown the amount of £1,977,918, being the maximum facility amount. Interest is payable semi-annually on 25 March and 25 September at a rate of 4.7% per annum until 25 March 2020, with stepped increases every five years thereafter until 2030. The Company makes amortisation repayments semi-annually on the Interest Payment Dates in accordance with an Amortisation Schedule. The balance of this loan payable after 12 months and the outstanding balance at the period end amounted to £1,977,918.

10. TAXATION

The charge to UK corporation tax on ordinary activities for the period was £nil (31 October 2014: £nil).

	31 Mar 2016	31 Oct 2014
Factors affecting the tax charge	£'000	£'000
Profit / (loss) on ordinary activities before tax	4,000	(3,155)
Expected tax charge of 20% (31 October 2014: 21.59%)	800	-
Effect of:		
Gains, losses, allowances and net income adjustments for tax purposes	(653)	-
Tax relief brought forward	(130)	-
Tax relief current period	(17)	-
Current tax charge	-	-

11. SHARE CAPITAL

	31 Mar 2016	31 Oct 2014
	£	£
AUTHORISED, ISSUED AND PAID:		
10,000,000 ordinary shares of £0.01 each	100,000	100,000
2 class A debt release shares of £1 each	2	2
2 class B debt release shares of £1 each	2	2
	100,004	100,004

On 23 September 2014, the Company authorised the allotment of class A and class B debt release shares of £1 each, up to an aggregate nominal amount of £2 for each class which were issued and paid during the prior period at a total premium of £2,781,206.

12. RELATED PARTY DISCLOSURES

M.C. Schnaier (resigned 5 November 2015), J.C. Bingham and Z.P. Yates (appointed 5 November 2015) are directors of wholly owned subsidiaries of Sanne Fiduciary Services Limited (SFSL), and hold a financial interest in Sanne Group Plc, an entity listed on the London Stock Exchange which is the beneficial owner of SFSL. Administration fees of £17,945 (2014: £1,328) were payable to SFSL in respect of the period ended 31 March 2016. Other inter-group transactions are detailed in notes 4, 6, 8 and 9.

There were no fees due to the directors during the prior or current period.

13. DEFERRED TAXATION

Management has determined in accordance with IFRSs that there were no deferred tax assets or liabilities as at 31 March 2016 (31 March 2015: £nil).

14. CONTROLLING PARTY

The Company's immediate parent company and ultimate controlling party is Boardwalk Finance DAC. The Company's results have been consolidated into the consolidated financial statements of Boardwalk Finance DAC.

15. SUBSEQUENT EVENTS

There were no subsequent events requiring adjustment or disclosure at the date of approval of these audited financial statements.

16. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the Board of Directors on 12/10/2016.