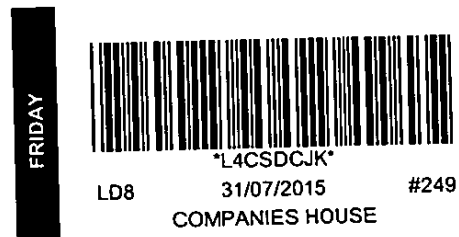


**Alternative Property Income Venture
(General Partner) Limited**

**Directors' Report and Financial Statements for the
Year Ended 30 June 2014**



**Alternative Property Income Venture
(General Partner) Limited
(Registered Number 06038068)**

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**Alternative Property Income Venture
(General Partner) Limited
(Registered Number 06038068)**

COMPANY INFORMATION

DIRECTORS

D Thomas

R Wood (appointed 19 November 2014)

COMPANY SECRETARY

J Tubbs

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

7 More London Riverside

London

SE1 2RT

BANKERS

Royal Bank of Scotland Group PLC

London Corporate Service Centre

PO Box 39952

2 ½ Devonshire Square

London EC2M 4XJ

**Alternative Property Income Venture
(General Partner) Limited
(Registered Number 06038068)
DIRECTORS' REPORT**

The directors have pleasure in submitting their report together with the audited financial statements of Alternative Property Income Venture (General Partner) Limited (the "Company") for the year ended 30 June 2014.

REVIEW OF ACTIVITIES

The Company entered into a Limited Partnership Agreement with Alternative Property Income Venture, L P (the "Partnership") on 26 February 2007

The Company acts as General Partner of the Partnership and has exclusive responsibility for the management and control of the business affairs of the partnership. A copy of the financial statements of the Partnership for the year ended 30 June 2014 are appended to these financial statements in accordance with the Partnership (Accounts) Regulations 2008

RESULTS AND DIVIDENDS

The Company's profit for the financial year amounts to £371 (2013: £863). No dividends were proposed or paid during the year (2013 Nil)

PERFORMANCE OF COMPANY DURING THE YEAR

Turnover for the current year has decreased by 6.2% (2013 7% increased) due to exchange rate movements

Debtors were £5,612 (2013 £5,133). The movement relates to the unpaid current year's profit share and exchange rate movements.

FUTURE DEVELOPMENTS

Currently there are no significant future developments for the Company. The Company will continue its normal activities for the foreseeable future.

DESCRIPTION OF PRINCIPAL RISKS

All risks are actively monitored by the Risk Team of the immediate parent of the Company, AXA Real Estate Investment Managers UK Limited. The Board is ultimately responsible for ensuring that the Company effectively manages its risks with the objectives of protecting the Company from unforeseen losses, and optimising shareholder value within the strategic risk tolerances.

Financial Risk Management

The risks that impact the Company are categorised under the two broad headings of Business and Operational risks.

**Alternative Property Income Venture
(General Partner) Limited
(Registered Number 06038068)
DIRECTORS' REPORT (continued)**

Business Risk

Risks are monitored closely and various stress tests are undertaken as part of the strategic planning and budgetary process to model the impact of business risks on the Company's financial position. Financial risks are set out in note 2 to the financial statements.

Operational Risk

Operational risks are categorised under the following definitions:

- **Process and execution risk** – Loss resulting from inadequate or failed internal or external processes (e.g. execution processes or reconciliation processes)
- **System risk** – Loss resulting from programming – or failure of IT – and management information systems
- **External event risk** – Loss resulting from external events (e.g. wars, natural disasters)

The Company manages these risks through the maintenance of an Operational Risk Framework comprising policies, principles and procedures that seek to ensure the most significant risk exposures are identified, assessed, controlled and monitored.

DIRECTORS AND COMPANY SECRETARY

The directors of the Company and company secretary who were in office during the year and up to the date of signing the financial statements are shown on page 2.

EXERCISE OF DIRECTORS' AXA SA OPTIONS

The directors of the Company did not exercise any share options during the year (2013 Nil)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to

**Alternative Property Income Venture
(General Partner) Limited
(Registered Number 06038068)
DIRECTORS' REPORT (continued)**

STATEMENT OF DIRECTORS' RESPONSIBILITIES (continued)

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

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

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS

Each director in office at the date of approval of this report confirms that

- a) so far as he is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- b) he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

On behalf of the Board on 30 July 2015.



D. Thomas
Director

**Alternative Property Income Venture
(General Partner) Limited
(Registered Number 06038068)**

***Independent auditors' report to the members of Alternative Property Income Venture
(General Partner) Limited***

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below

- give a true and fair view of the state of the company's affairs as at 30 June 2014 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

This opinion is to be read in the context of what we say in the remainder of this report

What we have audited

The financial statements, which are prepared by Alternative Property Income Venture (General Partner) Limited, comprise

- the balance sheet as at 30 June 2014,
- the profit and loss account for the year then ended, and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

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

What an audit of financial statements involves

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

- whether the accounting policies are appropriate to the 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 Directors' 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

**Alternative Property Income Venture
(General Partner) Limited
(Registered Number 06038068)**

***Independent auditors' report to the members of Alternative Property Income Venture
(General Partner) Limited***

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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

- we have not received all the information and explanations we require for our audit, or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns

We have no exceptions to report arising from this responsibility

Directors' remuneration

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

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors was not entitled to prepare financial statements in accordance with the small companies regime. We have no exceptions to report arising from this responsibility

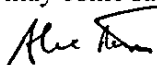
Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 5, 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 ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



Alex Bertolotti (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London,
30 July 2015

**Alternative Property Income Venture
(General Partner) Limited
(Registered Number 06038068)
PROFIT AND LOSS ACCOUNT
For the year ended 30 June 2014**

	Note	2014 £	2013 £
Turnover	3	802	855
Other operating (expenses)/ income		(324)	277
		<hr/>	<hr/>
Operating profit and Profit on ordinary activities before taxation	4	478	1,132
Tax on profit on ordinary activities	7	(107)	(269)
Profit for the financial year	11	<hr/> 371 <hr/>	<hr/> 863 <hr/>

All results shown above are from continuing operations

There is no material difference between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historical costs equivalents

There are no other recognised gains or losses in the current year or the preceding year other than those recognised in the profit and loss account, and therefore no separate statement of total recognised gains and losses has been presented

The notes on pages 10 to 14 form an integral part of these financial statements

**Alternative Property Income Venture
(General Partner) Limited
(Registered Number 06038068)
BALANCE SHEET
as at 30 June 2014**

	Note	2014 £	2013 £
Current assets			
Debtors	9	<u>5,612</u>	<u>5,133</u>
Creditors: amounts falling due within one year	10	<u>(1,462)</u>	<u>(1,354)</u>
Net assets		<u>4,150</u>	<u>3,779</u>
Total assets less current liabilities		<u>4,150</u>	<u>3,779</u>
Capital and reserves			
Called up share capital	11	1	1
Profit and loss account	12	4,149	3,778
Total shareholders' funds	13	<u>4,150</u>	<u>3,779</u>

The financial statements on pages 8 to 14 were approved by the directors on 30 July 2015 and signed by



D. Thomas
Director

The notes on pages 10 to 14 form an integral part of these financial statements

**Alternative Property Income Venture
(General Partner) Limited
(Registered Number 06038068)
NOTES TO THE FINANCIAL STATEMENTS**

1. PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies are set out below. The policies remain unchanged from the previous year.

Basis of accounting

The financial statements are prepared on the going concern basis under the historical cost convention, and in accordance with the Companies Act 2006 and applicable UK accounting standards as modified by the accounting policies set out below. These policies have been consistently applied throughout the year.

The directors have reviewed the Company's existing accounting policies and consider them to be appropriate and in accordance with the objectives of Financial Reporting Standard 18 "Accounting Policies" which are relevance, reliability, comparability and understandability.

Foreign currencies

Transactions denominated in foreign currencies are translated into sterling at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date. Translation differences are recorded in the profit and loss account.

Cash flow statement

The Company is a subsidiary of AXA Real Estate Investment Managers UK Limited and is included in the consolidated financial statements of its ultimate parent company, AXA SA, which are publicly available (see note 14). Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 "Cash Flow Statements" (Revised 1996).

Income recognition

Income represents fees received from the Partnership and is accounted for on an accruals basis.

**Alternative Property Income Venture
(General Partner) Limited
(Registered Number 06038068)
NOTES TO THE FINANCIAL STATEMENTS (continued)**

2. RISK MANAGEMENT

2.1 Financial risk management

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, price risk and cash flow interest rate risk). The financial risks relate to the following instruments: trade debtors and trade and other creditors.

Market risk

- (i) Currency risk is limited as the Company operates entirely within the UK and is sterling denominated; therefore, this risk is mitigated.
- (ii) The Company has no interest in the profits or losses of the Alternative Property Income Venture, L.P. and is not required to make any capital contributions to the Partnership. Therefore, the Company is not exposed to any significant price risk exposure; therefore, this risk is mitigated.
- (iii) As the Company does not seek to retain significant interest-bearing assets, its income and operating cash flows are substantially independent of changes in market interest rates; therefore, this risk is mitigated.

2.2 Capital risk management

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for investors. In order to maintain or adjust the capital structure, the Company may adjust the amount of distributions paid or return capital to investors.

3. TURNOVER

As per the Amended & Restated Deed, the Partnership pays €1,000 profit share per annum to the Company.

4. OPERATING PROFIT AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2014 £	2013 £
Fees payable to the Company's auditors for the audit	-	-

During the current and prior years, the Company acted as General Partner to Alternative Property Income Venture, L.P. (the "Partnership") and as per the Limited Partnership Agreement, it is entitled to a share of profit equal to €1,000 per annum as a first charge on the distributable profits of the Partnership.

**Alternative Property Income Venture
(General Partner) Limited
(Registered Number 06038068)
NOTES TO THE FINANCIAL STATEMENTS (continued)**

4. OPERATING PROFIT AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION (Continued)

The audit fee of £3,090 excluding VAT (2013 £ 3,000) is paid by the Partnership

The average number of employees of the Company during the year was nil (2013 nil)

5. TAXATION

The Company incurred a profit on ordinary activities before taxation amounting to £478 (2013 £1,132), therefore a provision for corporation tax has been made in the current year. Corporation tax in the preceding years has been group relieved by other members of the AXA group

6. DIRECTORS' EMOLUMENTS

The directors who were in office during the year were employed and paid by companies in the AXA group and their directorships were held as part of that employment. No directors received any emoluments or other benefits from the Company or from any other company in the AXA group in respect of services to the Company

7. TAX ON PROFIT ON ORDINARY ACTIVITIES

(a) Analysis of tax charge for the year

	2014	2013
	£	£
Current tax	107	269
UK corporation tax on profits for the year	<u>107</u>	<u>269</u>

(b) Factors affecting the tax charge for the year

	2014	2013
	£	£
Profit on ordinary activities before taxation	478	1,132
Profit on ordinary activities multiplied by the blended standard rate of corporation tax in the UK of 22.5 % (2013 23.75%)	<u>107</u>	<u>269</u>

**Alternative Property Income Venture
(General Partner) Limited
(Registered Number 06038068)
NOTES TO THE FINANCIAL STATEMENTS (continued)**

8. DEFERRED TAX

There is no deferred tax as there are no transactions which create timing differences and there are no assets on which capital allowances are applied to.

9. DEBTORS

	2014 £	2013 £
Amount owed by Parent undertakings	1	1
Amounts owed by the Partnership	<u>5,611</u>	<u>5,132</u>
	<u>5,612</u>	<u>5,133</u>

The amounts due from the Partnership relates to the €1,000 profit share per annum paid annually to the Company. The previous years profit share remains unpaid and are treated as a current asset.

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014 £	2013 £
Amount owed to AXA Group undertakings	1,355	-
Corporation Tax	<u>107</u>	<u>1,354</u>
	<u>1,462</u>	<u>1,354</u>

The amounts owed to AXA Group undertakings relates to group tax relief provided to the Company.

11. CALLED UP SHARE CAPITAL

	2014 £	2013 £
Authorised 100 (2013: 100) ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted and issued: 1 (2013: 1) ordinary share of £1	<u>1</u>	<u>1</u>

The share capital of £1 is unpaid and is shown within current assets as amount due from parent undertaking.

**Alternative Property Income Venture
(General Partner) Limited
(Registered Number 06038068)
NOTES TO THE FINANCIAL STATEMENTS (continued)**

12. PROFIT AND LOSS ACCOUNT

	2014 £
Opening balance as at 1 July	3,778
Profit for the year ended 30 June	371
Closing balance as at 30 June	<u>4,149</u>

13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

	2014 £
Opening balance as at 1 July	3,779
Profit for the financial year	371
Closing balance as at 30 June	<u>4,150</u>

14. IMMEDIATE AND ULTIMATE PARENT COMPANIES

The Company is a subsidiary of AXA Real Estate Investment Managers UK Limited, a company incorporated in Great Britain and registered in England and Wales

In the opinion of the directors, the Company's ultimate parent and controlling company is AXA SA, a company incorporated in France. The parent undertaking of the largest group which includes the Company and for which group financial statements are prepared is AXA SA. Copies of the group financial statements of AXA SA can be obtained from 23, avenue Matignon, 75008 Paris, France. The parent undertaking of the smallest group which includes the Company and for which group financial statements are prepared is AXA Investment Managers SA. Copies of the group financial statements of AXA Investment Managers SA are available from that company's registered office at Coeur Defense, Tour B La Defense 4, 100 Esplanade du General de Gaulle, 92932 Paris, France.

15. RELATED PARTIES

As the Company is a wholly-owned subsidiary, it has taken advantage of the exemption granted under Financial Reporting Standard 8 "Related Party Disclosures" where subsidiary undertakings do not have to disclose transactions with group companies qualifying as related parties provided that consolidated financial statements are publicly available.

REGISTERED NUMBER: LP11883

ALTERNATIVE PROPERTY INCOME VENTURE, L.P.

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014



Accounts are to be lodged with Alternative Property Income Venture (General Partner) Limited Accounts (registered no. 06038068).

ALTERNATIVE PROPERTY INCOME VENTURE, L.P.
(REGISTERED NUMBER: LP11883)

FOR THE YEAR ENDED 30 JUNE 2014

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ALTERNATIVE PROPERTY INCOME VENTURE, L.P.
(REGISTERED NUMBER: LP11883)
FOR THE YEAR ENDED 30 JUNE 2014

LIMITED PARTNERSHIP INFORMATION

REGISTERED OFFICE

Alternative Property Income Venture (General Partner) Limited
in its capacity as General Partner of Alternative Property Income Venture, L P
155 Bishopsgate
London
EC2M 3XJ

DIRECTORS OF THE GENERAL PARTNER

D Thomas
R Wood (appointed 19 November 2014)

COMPANY SECRETARY

J Tubbs

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
7 More London Riverside
London
SE1 2RT

BANKERS

Royal Bank of Scotland Plc
London Corporate SC
PO Box 39952
2 1/2 Devonshire Square
London
EC2M 4XJ

ALTERNATIVE PROPERTY INCOME VENTURE, L.P.
(REGISTERED NUMBER: LP11883)
STRATEGIC REPORT
FOR THE YEAR ENDED 30 JUNE 2014

The General Partner presents their strategic report on the Alternative Property Income Venture, L P (the “Partnership”) for the year to 30 June 2014

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The purpose of the Partnership and its subsidiary undertakings (together the “Group”) is to carry on the business of identifying, acquiring, holding and disposing of investments in properties, in accordance with the information memorandum agreed from time to time between the General Partner and the Limited Partners and to carry out all the functions and acts in connection therewith

The Partnership was established as Alternative Property Income Venture, L P by an original Limited Partnership Agreement dated 26 February 2007 and subsequently amended on 6 March 2007 and 3 July 2007 (the “Partnership Deed”) It is registered as a Limited Partnership in England under the Limited Partnership Act 1907 with registration number LP11883

The Final Closing Date took place on 2 September 2008, with total equity commitments amounting to €299.1m from the Limited Partners. No capital drawdown was requested during the year (2013 nil). The undrawn capital at the year end was €11.4m (2013 €11.4m).

KEY PERFORMANCE INDICATORS

The General Partner considers the key performance indicators of the Partnership to be the value of assets under management and the profitability of the Partnership.

The Partnership invests in the Alternative Property Income Venture S C A (the “Company”), a Société en Commandite par actions under the laws of the Grand-Duchy of Luxembourg and which has its registered office at 21 Boulevard Grande Duchesse Charlotte, L-1331 Luxembourg.

Investments in the Company can be made through direct investments, in the form of subscription of shares and providing loans to the Company. Investments can also be made indirectly through investment in the Partnership.

The Partnership invests in the Company via the Alternative Property Income ELP Subco S à r l a wholly owned subsidiary of the Partnership. The investment is made by way of share capital and the making of three categories of loans: Shareholder loans (A loans), Subordinated Shareholder loans (B loans) and Convertible Loans from investors. The A and B loans bear interest at 5.00% per annum plus at 3 month Euribor and an appropriate margin which will vary from project to project (and as notified in capital call notices) per annum. The Convertible Loans bear interest at the rate of 3.00% per annum.

The Group’s profit on ordinary activities after taxation was €14,454,121 (2013 €13,266,628), out of which €12,187,303 (2013 €12,988,514) was attributable to the Partnership. The Group has distributed €38.1m (2013 €28.5m) by way of interest and capital repayment to the investors. The Partnership has received and the General Partner has made a capital repayment of €27.3m during the year (2013 €20.3m) to the investors.

The Group’s assets under management increased to €430,936,630 as at 30 June 2014 from €425,505,256 as at 30 June 2013. Following the disposal of the Pola de Sierro petrol station, the majority of the movement was due to an increase in the fair value of investments in joint ventures.

ALTERNATIVE PROPERTY INCOME VENTURE, L.P.
(REGISTERED NUMBER: LP11883)
STRATEGIC REPORT CONTINUED
FOR THE YEAR ENDED 30 JUNE 2014

PRINCIPAL RISKS AND MITIGATION

The General Partner considers the principal financial risks faced by the Group to be foreign exchange risk, market price risk, interest rate risk, credit risk and liquidity risk. The financial risks relate to the following financial instruments: financial assets at fair value through profit or loss, trade and other receivables, cash and cash equivalents, loan receivable, restricted cash reserve, trade and other payables and borrowings.

All principal risks are assessed and mitigated where possible. The General Partner and AXA Real Estate Investment Managers UK Limited (the "Real Estate Adviser") meet regularly to discuss the above risks and their mitigation. The Partnership reports internally to the independent AXA Real Estate Risk Management & Compliance team located in Paris. This team sets standards and limits, identifies risks, ensures timely remediation plans, controls/monitors investment, operational & regulatory risks.

FOREIGN EXCHANGE RISK

Currency risk is limited as the Group operates predominantly within the Eurozone and most of the transactions and balances in the Consolidated Financial Statements are Euro denominated. Where the Group enters into transactions outside of the Eurozone, it will consider and, where appropriate, apply a hedging strategy designed to minimise exposure to fluctuations in currency. Such strategy will be reviewed periodically.

MARKET PRICE RISK

Market risk arises principally through property valuation movements.

In terms of property valuation movements, both real estate and real estate related companies and assets are inherently difficult to value. Valuations are, to a degree, based upon the subjective approach of the valuer involved. As a result, valuations are subject to substantial uncertainty. The value of real estate may be materially affected by a number of factors, including without limitation, its location and the degree of competition from other real estate owners in its immediate vicinity, the financial condition of occupational tenants of a property and physical matters arising from the state of repair and condition of the property. To mitigate this risk, the Partnership seeks to invest in assets with robust property fundamentals, to provide additional security to committed equity and performance of the Partnership, which also supports sustainable cash flows.

INTEREST RATE RISK

As the Group does not seek to retain significant interest-bearing assets, its income and operating cash flows are substantially independent of changes in market interest rates.

The Group's interest rate risk arises from long-term borrowings from third party lenders. Borrowings issued at variable rates expose the Group to interest rate risk. The Group monitors closely interest rate changes and regularly reviews its hedging strategy.

ALTERNATIVE PROPERTY INCOME VENTURE, L.P.
(REGISTERED NUMBER: LP11883)
STRATEGIC REPORT CONTINUED
FOR THE YEAR ENDED 30 JUNE 2014

CREDIT RISK

Credit risk arises from cash at bank and in hand, financial assets at fair value through profit or loss, loan receivable, restricted cash reserve, as well as credit exposures with respect to rental customers, including outstanding receivables. Credit risk is managed on a Group basis. The Group structures the levels of credit risk it accepts by placing limits on its exposure to a single counterparty, or groups of counterparty, and to geographical and industry segments. Such risks are subject to periodic review by the Real Estate Adviser. The Group monitors the selection of banks and financial institutions which hold the Group's cash and deposits. Cash transactions are limited to high-credit-quality financial institutions. The Group limits the amount of credit exposure to any financial institution.

Under the Group's credit risk policy, rental contracts are undertaken as far as possible with tenants with an appropriate credit history with Dun & Bradstreet A - D ratings (or the equivalent). If there is no independent rating available, an assessment of the credit quality of the tenant is undertaken, taking into account its financial position, past experience and other factors.

The Group believes that the credit quality of the existing counterparties and the corresponding balances in relation to the above-mentioned financial assets are within the credit quality limits determined in each case, set for counterparties as ultimately determined by the General Partner and the Management of the Company.

LIQUIDITY RISK

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Group's liquidity position is monitored on a monthly basis.

The Strategic Report has been approved by the board and signed on its behalf by the directors of the General Partner on 30 July 2015.



D. Thomas
Director

For and on behalf of Alternative Property Income Venture (General Partner) Limited
in its capacity as General Partner of Alternative Property Income Venture, L.P.

ALTERNATIVE PROPERTY INCOME VENTURE, L.P.
(REGISTERED NUMBER: LP11883)
GENERAL PARTNER'S REPORT
FOR THE YEAR ENDED 30 JUNE 2014

The General Partner is pleased to present its Annual Report and the audited Consolidated Financial Statements of the Alternative Property Income Venture, L P (the "Partnership") for the year ended 30 June 2014. The General Partner has taken advantage of the exemption under s408 Companies Act 2006 from preparing the profit and loss account of the Partnership.

FUTURE DEVELOPMENTS

Currently, there are no significant future developments for the Partnership.

Clause 13.1.1 of the Limited Partnership Agreement (the "Partnership Deed") states that, subject to clauses 13.1 and 13.3 of the Agreement, the Partnership shall operate until the day following the seventh anniversary of the Final Closing Date, i.e. until 3 September 2015 and may thereafter be extended in accordance with clause 13.3 for two additional periods of one year each.

The Partnership will continue its normal activities for the foreseeable future.

FINANCIAL RISK MANAGEMENT

A comprehensive review of the principal risks and their management are covered in the Strategic Report.

RESULTS

The Group made a profit for the year of €12,187,303 (2013: €12,988,514) and total recognised gains for the year of €13,888,627 (2013: €9,805,616) which were added to the income account.

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP have indicated their willingness to continue in office and resolutions to reappoint them as auditors to the Partnership and to authorise the General Partner to determine their remuneration was proposed at the General Meeting.

ALTERNATIVE PROPERTY INCOME VENTURE, L.P.
(REGISTERED NUMBER: LP11883)
GENERAL PARTNER'S REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2014

STATEMENT OF RESPONSIBILITIES OF THE GENERAL PARTNER

The General Partner is responsible for preparing the Annual Report and the Consolidated Financial Statements in accordance with applicable law and regulations

Company law as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 (the "Regulations") requires the members to prepare financial statements for each financial year. Under that law the members have prepared Group and qualifying partnership financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law as applied to qualifying partnerships 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 Group and the qualifying partnership and of the profit or loss of the Group 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,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and qualifying partnership will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the qualifying partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the qualifying partnership and enable them to ensure that the financial statements comply with the Companies Act 2006 as applied to qualifying partnerships by the Regulations. They are also responsible for safeguarding the assets of the Group and the qualifying partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS

So far as the General Partner is aware

- there is no relevant audit information of which the Partnership's auditors are unaware, and
- we have taken all the steps that we ought to have taken as General Partner in order to make ourselves aware of any relevant audit information and to establish that the Partnership's auditors are aware of that information.

The General Partner's Report has been approved by the Board on 30 July 2015 and signed on its behalf by



D Thomas
Director

For and on behalf of Alternative Property Income Venture (General Partner) Limited
in its capacity as General Partner of Alternative Property Income Venture, L.P.

ALTERNATIVE PROPERTY INCOME VENTURE, L.P.
(REGISTERED NUMBER: LP11883)

Independent auditors' report to the members of Alternative Property Income Venture, L.P.

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below

- give a true and fair view of the state of the group's and of the qualifying partnership's affairs as at 30 June 2014 and of the group's and the qualifying partnership's profit and the group's cash flows for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008

This opinion is to be read in the context of what we say in the remainder of this report

What we have audited

The group financial statements and qualifying partnership financial statements (the "financial statements"), which are prepared by Alternative Property Income Venture, L P , comprise

- the Consolidated and Partnership Balance Sheets as at 30 June 2014,
- the Consolidated Profit and Loss Account and Consolidated Statement of Total Recognised Gains and Losses for the year then ended,
- the Consolidated Cash Flow Statement for the year then ended,
- the Consolidated and Partners' Accounts for the year then ended, and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

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

What an audit of financial statements involves

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

- whether the accounting policies are appropriate to the group's and the qualifying partnership's circumstances and have been consistently applied and adequately disclosed,
- the reasonableness of significant accounting estimates made by the general partner, and
- the overall presentation of the financial statements

In addition, we read all the financial and non-financial information in the Consolidated 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

ALTERNATIVE PROPERTY INCOME VENTURE, L.P.
(REGISTERED NUMBER: LP11883)

***Independent auditors' report to the members of Alternative Property Income Venture,
L.P. (CONTINUED)***

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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

- we have not received all the information and explanations we require for our audit, or
- adequate accounting records have not been kept by the qualifying partnership, or returns adequate for our audit have not been received from branches not visited by us, or
- the qualifying partnership financial statements are not in agreement with the accounting records and returns

We have no exceptions to report arising from this responsibility

General Partner's remuneration

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

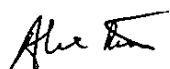
Responsibilities for the financial statements and the audit

Our responsibilities and those of the general partner

As explained more fully in the Statement of Responsibilities of the General Partner set out on page 7, the general partner is 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 ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors

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



Alex Bertolotti (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
30 July 2015

ALTERNATIVE PROPERTY INCOME VENTURE, L.P.
(REGISTERED NUMBER: LP11883)
CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 €	2013 €
Turnover		31,730,831	34,112,308
Cost of sales	3(b)	(4,328,141)	(5,687,785)
Gross Profit		27,402,690	28,424,523
Administrative expenses	3(d)	(3,533,578)	(3,855,687)
Operating Profit before profit on disposal and fair value gain		23,869,112	24,568,836
Profit on disposal of property	8	665,000	2,025,260
Fair value gain on joint venture investments	10	6,251,822	2,204,391
Operating Profit		30,785,934	28,798,487
Interest payable and similar charges	4	(7,497,613)	(11,005,008)
Interest receivable and similar income	5	204,237	200,847
Other finance costs	6	(415,343)	(675,487)
		(7,708,719)	(11,479,648)
Profit on ordinary activities before taxation		23,077,215	17,318,839
Tax on profit on ordinary activities	7	(8,623,094)	(4,052,211)
Profit on ordinary activities after taxation		14,454,121	13,266,628
Minority interest		(2,266,818)	(278,114)
Profit for the financial year		12,187,303	12,988,514

There is no material difference between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historical cost equivalents. The effects of fair value accounting under FRS 26 *Financial Instruments* are not required to be included and have therefore been omitted.

All results and comparatives shown above are from continuing activities.

The notes on pages 19 to 40 form part of these Consolidated Financial Statements.

ALTERNATIVE PROPERTY INCOME VENTURE, L.P.
(REGISTERED NUMBER: LP11883)
CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 €	2013 €
Profit for the financial year		12,187,303	12,988,514
Unrealised gains/(losses) on revaluation of investment properties	8	1,601,714	(2,486,001)
Exchange adjustment		(47,164)	(1,080,769)
Net gain from fair value adjustment of derivatives on financial instruments	17	146,774	383,872
Total recognised gains for the year		13,888,627	9,805,616

All results and comparatives shown above are from continuing activities

The notes on pages 19 to 40 form part of these Consolidated Financial Statements

ALTERNATIVE PROPERTY INCOME VENTURE, L.P.
(REGISTERED NUMBER: LP11883)
CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2014

	Note	2014 €	2013 €
Fixed assets			
Investment Properties	8	359,895,000	360,525,000
Loans to Joint Ventures	9	7,736,467	7,926,915
Investment in Joint Ventures	10	63,305,163	57,053,341
		<u>430,936,630</u>	<u>425,505,256</u>
Current assets			
Debtors	13	7,228,391	10,841,747
Cash at bank and in hand		15,946,897	38,641,210
		<u>23,175,288</u>	<u>49,482,957</u>
Creditors - amounts falling due within one year	15	<u>(9,359,307)</u>	<u>(40,008,700)</u>
Net Current assets		<u>13,815,981</u>	<u>9,474,257</u>
Total Assets less Current liabilities		<u>444,752,611</u>	<u>434,979,513</u>
Creditors - amounts falling due after more than one year	16	(173,383,980)	(155,343,750)
Provisions for liabilities	18	<u>(5,366,768)</u>	<u>(2,454,600)</u>
Total net assets value		266,001,863	277,181,163
Minority Interest		<u>(18,124,645)</u>	<u>(15,857,827)</u>
Total net assets attributable to Partners		<u>247,877,218</u>	<u>261,323,336</u>
Capital and reserves			
Partners Capital Contribution		41,584	41,584
Loans from partners		215,815,054	243,149,799
Income account		<u>32,020,580</u>	<u>18,131,953</u>
Partnership Funds		<u>247,877,218</u>	<u>261,323,336</u>

The Consolidated Financial Statements on pages 10 to 40 were approved by the Board of Directors of the General Partner on 30 July 2015 and signed on its behalf by



D. Thomas
Director


For and on behalf of Alternative Property Income Venture (General Partner) Limited
in its capacity as General Partner of Alternative Property Income Venture, L P

The notes on pages 19 to 40 form part of these Consolidated Financial Statements

ALTERNATIVE PROPERTY INCOME VENTURE, L.P.
(REGISTERED NUMBER: LP11883)
PARTNERSHIP BALANCE SHEET
AS AT 30 JUNE 2014

	Note	2014 €	2013 €
Fixed assets			
Shares in Group Undertakings	11	549,250	549,250
Loans to Group Undertaking	12	266,464,813	284,482,405
		<u>267,014,063</u>	<u>285,031,655</u>
Current assets			
Interest Receivable		1,566,875	1,665,236
Other debtors	14	31,417	29,418
Cash at bank and in hand		99,541	160,334
		<u>1,697,833</u>	<u>1,854,988</u>
Creditors - amounts falling due within one year	15	<u>(89,000)</u>	<u>(88,212)</u>
Net current assets		<u>1,608,833</u>	<u>1,766,776</u>
Total assets less current liabilities		<u>268,622,896</u>	<u>286,798,431</u>
Total net assets attributable to Partners		<u>268,622,896</u>	<u>286,798,431</u>

The Consolidated Financial Statements on pages 10 to 40 were approved by the Board of Directors of the General Partner on 30 July 2015 and signed on its behalf by


D Thomas
Director

For and on behalf of Alternative Property Income Venture (General Partner) Limited
in its capacity as General Partner of Alternative Property Income Venture, L P

The notes on pages 19 to 40 form part of these Consolidated Financial Statements

ALTERNATIVE PROPERTY INCOME VENTURE, L.P.
(REGISTERED NUMBER: LP11883)
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2014

	Note	2014 €	2013 €
Net cash flow from operating activities	19 (i)	21,052,780	27,387,668
Returns on investment and servicing of finance	19 (ii)	(7,708,719)	(11,479,648)
Capital expenditure and financial investment	19 (iii)	3,039,998	27,602,527
Cash inflow before financing		16,384,059	43,510,547
Financing	19 (iv)	(39,078,372)	(26,657,502)
(Decrease)/ Increase in cash for the year		(22,694,313)	16,853,045

RECONCILIATION OF NET DEBT

Reconciliation to net debt

Net debt at beginning of the year	19 (v)	(148,019,533)	(209,254,366)
(Decrease)/ Increase in net cash		(22,694,313)	16,853,045
Movement in borrowing		11,890,400	(18,201,850)
Other non cash movement		(34,520)	61,502,872
Exchange adjustment		-	1,080,766
Net (debt) at the end of the year	19 (v)	(158,857,966)	(148,019,533)

The notes on pages 19 to 40 form part of these Consolidated Financial Statements

ALTERNATIVE PROPERTY INCOME VENTURE, L.P.
(REGISTERED NUMBER: LP11883)
CONSOLIDATED PARTNERS' ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2014

	Capital contribution	Loans from partners	Income account	Revaluation reserve	Total
	€	€	€	€	€
General Partner					
Balance as at 1 July 2013	-	-	6,000	-	6,000
Additions	-	-	-	-	-
Net income	-	-	1,000	-	1,000
Balance at 30 June 2014	-	-	7,000	-	7,000
Limited Partners					
Balance as at 1 July 2013	28,765	243,149,799	18,125,953	-	261,304,517
Additions	-	-	-	-	-
Net income	-	-	13,887,627	-	13,887,627
Distribution	-	(27,334,745)	-	-	(27,334,745)
Balance at 30 June 2014	28,765	215,815,054	32,013,580	-	247,857,399
Special Limited Partners					
Balance as at 1 July 2013	12,819	-	-	-	12,819
Additions	-	-	-	-	-
Net income	-	-	-	-	-
Distribution	-	-	-	-	-
Balance at 30 June 2014	12,819	-	-	-	12,819
Total					
Balance as at 1 July 2013	41,584	243,149,799	18,131,953	-	261,323,336
Additions	-	-	-	-	-
Net income	-	-	13,888,627	-	13,888,627
Distribution	-	(27,334,745)	-	-	(27,334,745)
Balance at 30 June 2014	41,584	215,815,054	32,020,580	-	247,877,218

ALTERNATIVE PROPERTY INCOME VENTURE, L.P.
(REGISTERED NUMBER: LP11883)
CONSOLIDATED PARTNERS' ACCOUNTS CONTINUED
FOR THE YEAR ENDED 30 JUNE 2013

	Capital contribution	Loans from partners	Income account	Revaluation reserve	Total
	€	€	€	€	€
General Partner					
Balance as at 1 July 2012	-	-	5,000	-	5,000
Additions	-	-	-	-	-
Net income	-	-	1,000	-	1,000
Balance at 30 June 2013	-	-	6,000	-	6,000
Limited Partners					
Balance as at 1 July 2012	28,765	263,485,451	8,321,337	-	271,835,553
Additions	-	-	-	-	-
Net income	-	-	9,804,616	-	9,804,616
Distribution	-	(20,335,652)	-	-	(20,335,652)
Balance at 30 June 2013	28,765	243,149,799	18,125,953	-	261,304,517
Special Limited Partners					
Balance as at 1 July 2012	12,819	-	-	-	12,819
Additions	-	-	-	-	-
Net income	-	-	-	-	-
Distribution	-	-	-	-	-
Balance at 30 June 2013	12,819	-	-	-	12,819
Total					
Balance as at 1 July 2012	41,584	263,485,451	8,326,337	-	271,853,372
Additions	-	-	-	-	-
Net income	-	-	9,805,616	-	9,805,616
Distribution	-	(20,335,652)	-	-	(20,335,652)
Balance at 30 June 2013	41,584	243,149,799	18,131,953	-	261,323,336

ALTERNATIVE PROPERTY INCOME VENTURE, L.P.
(REGISTERED NUMBER: LP11883)
PARTNERS' ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2014

	Capital contribution	Loans from partners	Income account	Revaluation reserve	Total
	€	€	€	€	€
General Partner					
Balance as at 1 July 2013	-	-	6,000	-	6,000
Additions	-	-	-	-	-
Net income	-	-	1,000	-	1,000
Distributions	-	-	-	-	-
Balance at 30 June 2014	-	-	7,000	-	7,000
Limited Partners					
Balance as at 1 July 2013	28,765	256,747,130	30,003,717	-	286,779,612
Prior year adjustment	-	(13,597,331)	13,597,331	-	-
Additions	-	-	-	-	-
Net income	-	-	9,158,210	-	9,158,210
Distributions	-	(27,334,745)	-	-	(27,334,745)
Balance at 30 June 2014	28,765	215,815,054	52,759,258	-	268,603,077
Special Limited Partners					
Balance as at 1 July 2013	12,819	-	-	-	12,819
Additions	-	-	-	-	-
Net income	-	-	-	-	-
Distributions	-	-	-	-	-
Balance at 30 June 2014	12,819	-	-	-	12,819
Total					
Balance as at 1 July 2013	41,584	256,747,130	30,009,717	-	286,798,431
Prior year adjustment	-	(13,597,331)	13,597,331	-	-
Additions	-	-	-	-	-
Net income	-	-	9,159,210	-	9,159,210
Distributions	-	(27,334,745)	-	-	(27,334,745)
Balance at 30 June 2014	41,584	215,815,054	52,766,258	-	268,622,896

ALTERNATIVE PROPERTY INCOME VENTURE, L.P.
(REGISTERED NUMBER: LP11883)
PARTNERS' ACCOUNTS CONTINUED
FOR THE YEAR ENDED 30 JUNE 2013

	Capital contribution	Loans from partners	Income account	Revaluation reserve	Total
	€	€	€	€	€
General Partner					
Balance as at 1 July 2012	-	-	5,000	-	5,000
Reverse Impairment	-	-	-	-	-
Net income	-	-	1,000	-	1,000
Distributions	-	-	-	-	-
Balance at 30 June 2013	-	-	6,000	-	6,000
Limited Partners					
Balance as at 1 July 2012	28,765	263,485,451	19,872,331	-	283,386,547
Reverse Impairment	-	13,597,331	-	-	13,597,331
Net income	-	-	10,131,386	-	10,131,386
Distributions	-	(20,335,652)	-	-	(20,335,652)
Balance at 30 June 2013	28,765	256,747,130	30,003,717	-	286,779,612
Special Limited Partners					
Balance as at 1 July 2012	12,819	-	-	-	12,819
Reverse Impairment	-	-	-	-	-
Net income	-	-	-	-	-
Distributions	-	-	-	-	-
Balance at 30 June 2013	12,819	-	-	-	12,819
Total					
Balance as at 1 July 2012	41,584	263,485,451	19,877,331	-	283,404,366
Reverse Impairment	-	13,597,331	-	-	13,597,331
Net income	-	-	10,132,386	-	10,132,386
Distributions	-	(20,335,652)	-	-	(20,335,652)
Balance at 30 June 2013	41,584	256,747,130	30,009,717	-	286,798,431

ALTERNATIVE PROPERTY INCOME VENTURE, L.P.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

1. Accounting Policies

The Consolidated Financial Statements are prepared on the going concern basis, under the historical cost convention as modified by the revaluation of certain financial assets and liabilities and in accordance with the Companies Act 2006 as applied to qualifying Partnership by the Partnership (Accounts) regulation 2008 and applicable accounting standards in the United Kingdom. These accounting policies have been applied consistently unless otherwise stated.

Basis of consolidation

The Consolidated Financial Statements include the financial statements of the Partnership and its subsidiary undertakings (together the "Group").

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date on which control ceases.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed, where necessary, to ensure consistency with the policies adopted by the Group.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

Acquisitions of subsidiaries are accounted for either as a business combination or an asset acquisition. When determining if an acquisition qualifies as a business combination, management considers if the transaction includes the acquisition of the supporting infrastructure, employees, service provider agreements, active lease agreements, and other important inputs and processes of the acquired subsidiary to produce the required output. If the acquisition does not significantly involve the transfer of the previously mentioned factors, the acquisition is treated as an asset acquisition.

Turnover

Turnover includes rental income, service charges and management charges from properties, and income from property disposals, as applicable. Rental income from operating leases is recognised on a straight line basis over the lease term. When the Group provides incentives to its tenants, the cost of incentives are recognised over the shorter of the next rent review or the lease term, on a straight line basis, as a reduction of rental income.

Foreign Currencies

Items included in the Consolidated Financial Statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The Consolidated Financial Statements are presented in Euros (€).

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Consolidated Profit and Loss Account.

Capitalisation of Finance Cost and Loan Interest

Loan Interest is accrued on a daily basis from the date of the drawdown of the Advance until the date of repayment. Interest unpaid on the relevant Interest Payment Date is capitalised and is subjected to future interest calculations.

ALTERNATIVE PROPERTY INCOME VENTURE, L.P.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
FOR THE YEAR ENDED 30 JUNE 2014**

1. Accounting Policies (Continued)

Investment Property

Property that is held for long-term rental yields or for capital appreciation or both, is classified as investment property. Investment property comprises buildings, freehold land and leasehold land. Investment property also includes property that is being constructed or developed for future use as investment property.

Investment property is measured initially at historical cost, including related transaction costs and borrowing cost. Borrowing costs incurred for the purpose of acquiring, constructing or producing a qualifying investment property are capitalised as part of its cost. Borrowing costs are capitalised while acquisition or construction is actively underway and cease once the asset is substantially complete, or suspended if the development of the asset is suspended.

After initial recognition, investment property including investment property under construction, is carried at fair value. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. For completed investment property, these valuations are performed on acquisition and then on a quarterly basis by the Group's Independent Appraiser, DTZ Debenham Tie Leung Limited.

Investment property that is being redeveloped for continuing use as investment property, or for which the market has become less active, continues to be measured at fair value. The fair value of investment property reflects, among other things, rental income from current leases and assumptions about rental income from future leases in the light of current market conditions. The fair value also reflects, on a similar basis, any cash outflows that could be expected in respect of the property. Some of those outflows are recognised as a liability, including finance lease liabilities in respect of land classified as investment property, others, including contingent rent payments, are not recognised in the Consolidated Financial Statements.

Subsequent expenditure is charged to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Consolidated Profit and Loss Account during the financial year in which they are incurred.

Changes in fair values are recorded within the statement of recognised gains and losses as gains or losses from fair value adjustment on investment property.

Impairment of financial assets

Indicators of impairment are reviewed for all investment properties and financial assets at each reporting date. Such indicators include significant financial difficulties/losses in the Group undertakings, or significant decline in fair value of investment properties and financial assets of the Group undertakings. An impairment loss is recognised in the Consolidated Profit and Loss Account when there is objective evidence that an asset is impaired. If it is deemed based on the above indicators that fair value of investment properties and financial assets of the Group undertaking fair value have recovered and previous impairment is written back.

Expenses

Expenses are accounted for on an accruals basis. Expenses arising from the establishment of the Partnership and from the admission of Partners to the Partnership are written off as incurred. Expenses re-charged to customers are recognised on an accruals basis in the period during which the expense can be contractually recovered, net of any sales tax.

ALTERNATIVE PROPERTY INCOME VENTURE, L.P.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED FOR THE YEAR ENDED 30 JUNE 2014

1. Accounting Policies (Continued)

Taxes

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Consolidated Profit and Loss Account, except to the extent that it relates to items recognised directly in equity. In this case the tax is also recognised directly in equity.

(a) Deferred Tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Deferred tax is recognised in respect of the retained earnings of overseas subsidiaries only to the extent that, at the balance sheet date, dividends have been accrued as receivable or a binding agreement to distribute past earnings in future periods has been entered into by the subsidiary.

Provision is made for tax on gains arising from revaluation (and similar fair value adjustments) of fixed assets, or gains on disposal of fixed assets that have been rolled over in to replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the asset concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over in to replacement assets and charged to tax only when the replacement asset is sold.

(b) Current Tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group's subsidiaries and associates operate and generate taxable income. The Group periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and established provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Distribution

Distribution to the Group's investors is recognised as a reduction in the net assets attributable to Group investors and as a liability in the Group's Consolidated Financial Statements in the period in which the Distributions are approved by the Group's investors.

Fair value estimation

Effective 1 January 2013, the Group adopted the amendment to FRS 29 "Financial instruments disclosures" for financial instruments that are measured in the Consolidated Balance Sheet at fair value. This requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2)
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3)

ALTERNATIVE PROPERTY INCOME VENTURE, L.P.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED FOR THE YEAR ENDED 30 JUNE 2014

1. Accounting Policies (Continued)

The joint venture investments are measured at fair value and fall within level 3 of the measurement criteria as mentioned above. The General Partner and managers of the Group believe that the value of the individual assets and liabilities of such joint ventures, measured in accordance with IFRS then assessed for its consistency with UK GAAP, represents the fair value of the related investments.

The carrying value of other financial assets and liabilities approximate their fair values. Carrying values of creditors and debtors which are short term in nature are assumed to approximate their fair values. The fair value of other long term financial liabilities and assets, for disclosure purposes, is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting year.

2. Financial Risk Management

The Group's activities expose it to a variety of financial risks: foreign exchange risk, market price risk, interest rate risk, credit risk and liquidity risk. The financial risks relate to the following financial instruments: financial assets at fair value through profit or loss, trade and other receivables, cash and cash equivalents, loan receivable, restricted cash reserve, trade and other payables and borrowings.

(a) Foreign exchange risk

The Group has an investment in a joint venture (Otelı Europe S à r l) which was acquired on 19 June 2008 and is accounted for at fair value. The relevant reporting currency of the underlying investment of the joint venture (accounted for as a financial asset at fair value through profit or loss) is the Swiss Franc. The Group is exposed to possible changes in fair value of the related investment due to changes in currency exchange rates. However, the General Partner considers that there is limited currency exchange risk related to the asset since it represents a small proportion of the Group's total assets (5.35% as of 30 June 2014, 4.65% as of 30 June 2013) and the intermediate Joint Venture holding company, Otelı Europe S à r l, has executed a currency option to hedge the Swiss Franc equity exposure.

As of 30 June 2014 the prevailing closing Euro Swiss Franc exchange rate was 1.2142 (2013: 1.2338). Assuming an exchange rate fluctuation of +/- 10.0% from this date, with all other variables held constant, the resulting fair value movement would be € 2.3 million decrease / € 2.8 million increase of the related financial asset at fair value through profit or loss and the pre-tax profit, with an decrease/increase in the Group's net asset value of the same amount (2013: € 2.0 million increase / € 2.5 million decrease).

(b) Interest rate risk

The financing for the Eroskı portfolio has been hedged to protect against adverse interest rate movements, currently paying floating rate interest at a rate of 3M EURIBOR plus a margin of 275bps. The loan is currently hedged using a long term swap at a rate of 3.008%.

ALTERNATIVE PROPERTY INCOME VENTURE, L.P.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
FOR THE YEAR ENDED 30 JUNE 2014**

2 Financial Risk Management (continued)

(c) Credit risk

The maximum exposure of the Group to credit risk is the carrying amount of its cash at bank and in hand, financial assets at fair value through profit or loss, loan receivable and restricted cash reserve classified as non-current assets, trade and other debtors and the loan receivable from related parties. At the reporting date, the financial assets exposed to credit risk amounted to the following

At 30 June 2014	Within one year	1 - 2 years	2 - 5 years	More than 5 years	Total
	€	€	€	€	€
Cash at bank and in hand	15,946,897	-	-	-	15,946,897
Trade and other debtors	7,121,071	-	-	107,320	7,228,391
Financial asset at fair value through profit or loss	-	-	-	63,305,163	63,305,163
Other non-current assets	-	-	-	3,333,333	3,333,333
Loan receivable	-	-	-	4,403,134	4,403,134
	23,067,968	-	-	71,148,950	94,216,918

At 30 June 2013	Within one year	1 - 2 years	2 - 5 years	More than 5 years	Total
	€	€	€	€	€
Cash at bank and in hand	38,641,210	-	-	-	38,641,210
Trade and other debtors	5,127,752	-	-	5,713,995	10,841,747
Financial asset at fair value through profit or loss	-	-	-	57,053,341	57,053,341
Other non-current assets	-	-	-	3,333,333	3,333,333
Loan receivable	-	-	-	4,593,582	4,593,582
	43,768,962	-	-	70,694,251	114,463,213

The General Partner and the management of the Group's review bad debts on a regular basis and take necessary action to remedy any significant credit risk. Action is taken to recover any amounts owed.

ALTERNATIVE PROPERTY INCOME VENTURE, L.P.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED FOR THE YEAR ENDED 30 JUNE 2014

2 Financial Risk Management (continued)

(d) Liquidity Risk

The table below provides liquidity analysis on trade creditors and borrowings for the year ended 30 June 2014 based on their remaining contractual maturity (undiscounted)

At 30 June 2014	Less than three months	Between 3 months and less than 1 year	1 - 5 years	More than 5 years	Total
	€	€	€	€	€
Interest bearing loans	-	2,146,494	159,011,789	11,595,168	172,753,451
Trade and other creditors	9,264,224	-	6,092,379	-	15,356,603
	<u>9,264,224</u>	<u>2,146,494</u>	<u>165,104,168</u>	<u>11,595,168</u>	<u>188,110,054</u>

At 30 June 2013	Less than three months	Between 3 months and less than 1 year	1 - 5 years	More than 5 years	Total
	€	€	€	€	€
Interest bearing loans	-	32,077,125	139,638,011	12,747,423	184,462,559
Trade and other creditors	10,129,760	-	3,214,731	-	13,344,491
	<u>10,129,760</u>	<u>32,077,125</u>	<u>142,852,742</u>	<u>12,747,423</u>	<u>197,807,050</u>

(e) Capital risk management

For the purpose of this section, capital means net assets attributable to the Company's shareholders, this is referring to the Partnerships investment in Alternative Property Income Venture S C A

The Company's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for investors

In accordance with the Group's policy, it is intended that the Company will not incur long term borrowings which would cause the total long term indebtedness of the Group, once fully invested, to exceed approximately 70% of the higher of the following two amounts

- (i) the total appraised value of the Company's portfolio, and
- (ii) the aggregate acquisition cost of the Company's portfolio

The level of long term borrowing in respect of any individual property of the Company will not typically exceed 80% of either

- (i) its forecast budget for development, or
- (ii) the appraised value for the completed property, measured as at the time of the acquisition

This limit shall apply once the Group has been fully invested and stabilised

During 2014, the Group's strategy was unchanged from 2013

ALTERNATIVE PROPERTY INCOME VENTURE, L.P.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
FOR THE YEAR ENDED 30 JUNE 2014**

2. Financial Risk Management (continued)

(e) Capital risk management (continued)

The Group monitors its capital and gearing ratio on an ongoing basis. The gearing ratio is computed by dividing total borrowings (excluding the Group's exposure to the indirect financing of the joint venture) by the gross asset value of the portfolio as of the balance sheet date. The gearing ratio as at 30 June 2014 was 19.69% (2013 20.34%). In order to maintain or adjust the capital structure of the Company or any member of the Group, the Group will call additional capital from Shareholders' commitments.

3. Expenditure

Operating Profit is stated after charging

(a) Audit fees (see note 3d)

	2014 €	2013 €
Fees payable to Partnership auditor for the audit of Partnership and Consolidated Financial Statements	62,972	49,012
Fees payable to Partnership subsidiary undertakings auditor	491,225	607,522
	<u>554,197</u>	<u>656,534</u>

No fees were for non-audit work

(b) Cost of sales

	2014 €	2013 €
Property Expenses	948,743	2,198,582
Management Fees (see note 21a)	3,379,398	3,489,203
	<u>4,328,141</u>	<u>5,687,785</u>

(c) Management fees

	2014 €	2013 €
Property management fees	803,297	693,318
Asset management fees (see note 21a)	2,576,101	2,795,885
	<u>3,379,398</u>	<u>3,489,203</u>

(d) Administrative expenses

	2014 €	2013 €
Audit fees (see note 3a)	554,197	656,534
Tax advisor fees and accounting fees	1,031,967	1,080,196
Legal fees	482,787	770,417
Administrative and domiciliation fees	370,977	399,577
Other expenses	1,010,789	781,245
Other professional fees	82,861	167,718
	<u>3,533,578</u>	<u>3,855,687</u>

4. Interest payable and similar charges

	2014 €	2013 €
Bank interest	4,341,308	7,421,921
Shareholder loan interest	3,156,305	3,583,087
	<u>7,497,613</u>	<u>11,005,008</u>

ALTERNATIVE PROPERTY INCOME VENTURE, L.P.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
FOR THE YEAR ENDED 30 JUNE 2014**

5. Interest receivable and similar income

	2014 €	2013 €
Investor's share of its Joint Venture interest income	<u>204,237</u>	<u>200,847</u>

6. Other finance costs

	2014 €	2013 €
Financing fees	220,137	473,414
Bank charges	<u>195,206</u>	<u>202,073</u>
	<u><u>415,343</u></u>	<u><u>675,487</u></u>

7. Tax on profit on ordinary activities

The Partnership as a transparent entity is not subject to UK income tax. Where relevant for UK tax purposes each Limited Partner is required to report on its tax return its share of the income, gains, losses, deductions and credits of the Partnership. A Partner is taxable on Partnership income or gain whether or not any distribution of money or property is made to the Partner during its fiscal year. It is possible that a Limited Partner's income or tax liability related to transactions by the Partnership could exceed amounts distributed to such Limited Partner in a particular year. The country in which an investment is made may impose withholding tax on dividends and interest paid to the Partnership and may tax gains on investments made by the Partnership in that country. Partners resident in countries with appropriate double taxation treaties may be entitled to reclaim part or all of any such tax withheld or paid. Limited Partners subject to tax in jurisdictions other than the UK may be taxed by their home tax authority differently than UK partners.

The following shows the tax liability of the subsidiaries of the Partnership

Current Tax	2014 €	2013 €
Income Tax	(190,449)	3,352,359
Share of joint ventures	<u>294,700</u>	<u>340,704</u>
Total Current tax	<u><u>104,251</u></u>	<u><u>3,693,063</u></u>
Deferred Tax		
Origination and reversal of timing differences		
Foreign Tax	4,467,834	5,814,683
Share of joint ventures	<u>4,051,009</u>	<u>(5,455,535)</u>
Total Deferred Tax	<u><u>8,518,843</u></u>	<u><u>359,148</u></u>
Tax on ordinary activities	<u><u>8,623,094</u></u>	<u><u>4,052,211</u></u>

The Group is taxable in Germany, Luxembourg, Spain and France with respective tax rate of 15.825%, 28.8%, 30% and 34.43%.

ALTERNATIVE PROPERTY INCOME VENTURE, L.P.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
FOR THE YEAR ENDED 30 JUNE 2014**

7. Tax on profit on ordinary activities (Continued)

The reconciliation between the income tax expense and the simple product between the profit before tax and the weighted average applicable income tax rate is as follows

	2014	2013
	€	€
Operating Profit after finance charges and before taxation	23,077,215	17,318,839
Weighted average applicable income tax rate	21.8%	22 00%
Income tax benefit at weighted average applicable income tax rates	5,030,833	3,810,145
Effect of		
Joint Venture gains not subject to income tax	(1,362,897)	(484,966)
Profit on disposal of property not subject to income tax	(144,970)	-
Other net gains having no tax consequences in current year	(1,248,918)	-
Current year losses	(845,371)	-
Expense not deductible for tax	(1,169,826)	(571,489)
Other differences	(154,600)	939,373
Total Current Tax	104,251	3,693,063

Deferred tax liabilities	2014	2013
	€	€
Deferred tax liability to be payable after more than 12 months	5,366,768	2,454,600
	5,366,768	2,454,600

The gross movement on the deferred income tax account is as follows:

At the start of the year	2,454,600	5,147,048
Profit and Loss charge/(gain)	2,912,168	(1,345,907)
Adjustment due to disposal	-	(1,346,541)
At the end of the year	5,366,768	2,454,600

Deferred tax assets	2014	2013
	€	€
Deferred tax asset to be recovered after more than 12 months	107,320	5,713,995
	107,320	5,713,995

The gross movement on the deferred income tax account is as follows:

At the start of the year	5,713,995	7,875,249
Profit and Loss charge	(5,606,675)	(1,705,055)
Adjustment due to disposal	-	(456,199)
At the end of the year	107,320	5,713,995

The deferred tax liability recognised during the year pertains to differences relating to depreciation of certain investment properties

Deferred income tax assets are recognised for tax losses carried forward to the extent that the realisation of the related tax benefit through future taxable profits is probable. Based on the managers' current assessment of the probability of the realisation of the tax benefit, no deferred tax assets have been recognised at 30 June 2014 (2013 nil)

ALTERNATIVE PROPERTY INCOME VENTURE, L.P.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
FOR THE YEAR ENDED 30 JUNE 2014**

8. Investment Properties

	2014	2013
	€	€
Investment property - Freehold		
Balance brought forward at 1 July	330,075,000	396,392,294
Disposal	(2,760,000)	(67,082,601)
Capitalised subsequent expenditure	528,286	210,234
Fair value adjustment	2,201,714	(2,486,001)
Effect of translation to presentational currency	-	3,041,074
Balance carried forward at 30 June	330,045,000	330,075,000
 Investment property - Leasehold		
Balance brought forward at 1 July	30,450,000	30,450,000
Fair value adjustment	(600,000)	-
Balance carried forward at 30 June	29,850,000	30,450,000

	2014	2013
	€	€
Investment property - Total		
Balance brought forward at 1 July	360,525,000	426,842,294
Disposal	(2,760,000)	(67,082,601)
Capitalised subsequent expenditure	528,286	210,234
Fair value adjustment	1,601,714	(2,486,001)
Effect of translation to presentational currency	-	3,041,074
Balance carried forward at 30 June	359,895,000	360,525,000

The Group's investment properties, excluding investment properties under construction, were revalued at 30 June 2014 by DTZ Debenham Tie Leung Limited, the Group's Independent Appraiser, a professionally qualified independent valuer. Valuations were prepared based on discounted cash flow projections and estimates. The General Partner and the Management of the Group believe that the carrying value of the investments is supported by their underlying net assets.

Disposal

During the year, one petrol station located in Pola de Siero (property included in Eroski Spanish portfolio) was sold for €3,425,000 at a profit of €665,000 on cost of €2,760,000.

9. Loans to joint ventures

	At 1 Jul 2013	Movement	At 30 Jun 2014
	€	€	€
Otel Europe S à r l	1,593,582	(190,448)	1,403,134
Otel France S A S	3,000,000	-	3,000,000
Otel Europe S à r l (cash reserve)	3,333,333	-	3,333,333
	7,926,915	(190,448)	7,736,467

During the financial period ended 30 June 2008, the Company made a long term loan of €10,239,940 to Otel Europe S à r l. The loan bore interest at the rate being a fixed rate of 7.0 % per annum not exceeding 3 month CHF LIBOR plus 5.0 %. At 30 June 2014 the applicable interest rate was 3 month CHF Libor + 4.75%.

ALTERNATIVE PROPERTY INCOME VENTURE, L.P.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED FOR THE YEAR ENDED 30 JUNE 2014

9. Loans to joint ventures (continued)

During the financial year ended 30 June 2010, the Company made a long term loan of € 4,000,000 to Otelı France S A S. The loan bore interest at the rate being a fixed rate of 6.875 % per annum not exceeding 3 month EURO LIBOR plus 4.875%. At 30 June 2014 the applicable interest rate was 3 month EURO LIBOR plus 4.875%.

The estimated fair value and the amortised cost of the loan receivable as at 30 June 2014 is the discounted amount of the estimated future cash flows expected to be received. The Management of the Company is of the view that since the interest rates charged for the loan receivable approximate the current market conditions at that time, the amortised cost and the fair values approximate the carrying amount of the loan receivable.

10. Investment in Joint Venture

	Fair value at 1 July 2013 €	Repayment €	Unrealised gain €	Fair value at 30 June 2014 €
Interest in Otelı Europe S à r l Joint Venture (Accor Swiss portfolio)	21,025,814	-	3,314,676	24,340,490
Interest in Otelı France S A S Joint Venture (Accor French portfolio)	36,027,527	-	2,937,146	38,964,673
Financial assets at fair value through profit or loss	57,053,341	-	6,251,822	63,305,163

	Fair value at 1 July 2012 €	Repayment €	Unrealised gain €	Fair value at 30 June 2013 €
Interest in Otelı Europe S à r l Joint Venture (Accor Swiss portfolio)	22,033,362	(269,999)	(737,549)	21,025,814
Interest in Otelı France S A S Joint Venture (Accor French portfolio)	33,085,587	-	2,941,940	36,027,527
Financial assets at fair value through profit or loss	55,118,949	(269,999)	2,204,391	57,053,341

On 19 June 2008, the Group acquired a one third interest in two joint venture entities involved in the acquisition of 49 hotels from the Accor group which comprised the first phase of a wider planned portfolio acquisition of 56 hotels in total. The transaction was a sale and lease-back under operating lease and the properties will continue to be operated by the Accor group under the Novotel, Mercure, MGallery, All Seasons, Ibis, Etap Hotel and Formule 1 brands. As at 30 June 2014 the portfolio is composed of 45 properties located in France. The Swiss portfolio was sold during the year.

The Accor portfolio has been acquired by a joint venture comprising the Company, Caisse des Dépôts et Consignations, and the European Hotel Venture, another entity managed by AXA Real Estate Investment Managers UK Limited (see note 21). All parties hold an equal one third interest in the joint venture.

ALTERNATIVE PROPERTY INCOME VENTURE, L.P.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED FOR THE YEAR ENDED 30 JUNE 2014

10. Investment in Joint Venture (continued)

The Group holds its interest in the joint ventures through two special purpose vehicles, (1) Orientex Holdings S A S , a wholly owned subsidiary of the Company which in turn holds a one third interest in the main venture vehicle, Otelı France S A S , (2) Otelı Europe S à r l , a Luxembourg incorporated limited liability company of which the Company holds a one third interest

The Group's total commitment in relation to the joint ventures is €70 32 million (2013 €70 32 million) At 30 June 2014, €65 million (2013 €65 million) of subscribed commitment has been paid comprising the cost of the initial investment in the joint ventures amounting to €57,382,103 plus the loan granted to Otelı Europe S à r l amounting to €1,256,377 and the Otelı France S A S amounting to €3,000,000 (2013 €3,000,000) (also see note 9 and note 21(d)(ii))

11. Shares in Group Undertakings

The Partnership has investments in the subsidiary undertaking listed below which principally affected the profits or net assets of the Group

	2014 €	2013 €
Balance at 1 July	549,250	549,250
Addition during the year at cost	-	-
Balance at 30 June	549,250	549,250

(a) Subsidiary undertaking

Name of Company	Alternative Property Income ELP Subco S à r l
Shares	21,970 (2013 21,970) ordinary shares
% held by Partnership	100%

(b) Alternative Property Income ELP Subco S à r l is a company incorporated under the laws of Luxembourg as a Societe a Responsabilite Limitee

A share in group undertaking is stated at cost As permitted by section 615 of the Companies Act 2006, where the relief afforded under section 612 of the Companies Act 2006 applies, cost is aggregated of the nominal value of the relevant number of the Partnership's shares and the fair value of any other consideration given to acquire the share capital of the subsidiary undertaking

ALTERNATIVE PROPERTY INCOME VENTURE, L.P.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
FOR THE YEAR ENDED 30 JUNE 2014**

12. Loans to Group Undertakings

	Convertible Loan Agreement €	Shareholder Loans (A Loans) €	Subordinated Shareholder Loans (B Loans) €	Total €
Loan at Cost				
Balance at 1 July 2013	60,182,756	71,245,144	153,054,505	284,482,405
Capitalised Interest during the year	1,502,725	3,528,396	4,335,937	9,367,058
Repaid during the year	-	-	(27,384,650)	(27,384,650)
Balance at 30 June 2014	61,685,481	74,773,540	130,005,792	266,464,813
Net Book Value				
At 30 June 2014	61,685,481	74,773,540	130,005,792	266,464,813
At 30 June 2013	60,182,756	71,245,144	153,054,505	284,482,405

13. Debtors

Debtors – amounts falling due within one year	2014	2013
The Group	€	€
Trade Debtors	4,781,293	3,204,755
Prepayments	1,427,080	1,180,042
Accrued income	829,814	598,189
Accrued interest on loan receivable	82,884	144,766
	<u>7,121,071</u>	<u>5,127,752</u>
Debtors – amount falling due after more than one year		
Deferred tax asset	107,320	5,713,995
Total Debtors	<u>7,228,391</u>	<u>10,841, 747</u>
Trade and other debtors are interest free		
Debtors – amounts falling due after more than one year	2014	2013
The Group	€	€
Deferred tax asset	<u>107,320</u>	<u>5,713,995</u>

ALTERNATIVE PROPERTY INCOME VENTURE, L.P.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
FOR THE YEAR ENDED 30 JUNE 2014**

14. Other Debtors

	2014	2013
The Partnership	€	€
Amounts owed by group undertakings	18,598	16,599
Special Limited Partner Capital Contribution	12,819	12,819
	<u>31,417</u>	<u>29,418</u>

Under the terms of the Partnership Agreement the Special Limited Partner is required to make a commitment of an amount equal to 30% of the total capital contributions to the Partnership

15. Creditors - amounts falling due within one year

	2014	2013
The Group	€	€
Borrowings	2,146,494	32,077,125
Trade Creditors	1,435,660	534,084
Other creditors	3,099,078	3,428,080
Accruals and deferred income	2,678,075	3,969,411
	<u>9,359,307</u>	<u>40,008,700</u>
The Partnership		
Accruals and deferred income	89,000	88,212
	<u>89,000</u>	<u>88,212</u>

16. Creditors - amounts falling due after more than one year

	2014	2013
The Group	€	€
Borrowings	172,658,369	154,583,619
Tenant deposits	725,611	760,131
	<u>173,383,980</u>	<u>155,343,750</u>

ALTERNATIVE PROPERTY INCOME VENTURE, L.P.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
FOR THE YEAR ENDED 30 JUNE 2014**

17. Borrowings

	2014	2013
The Group	€	€
Amounts falling due within one year - Bank loans	<u>2,146,494</u>	<u>32,077,125</u>
Amounts falling due after more than one year		
Bank loans	90,161,026	64,500,548
Interest Rate Hedge	2,051,411	2,198,185
Minority interest borrowings	<u>80,445,932</u>	<u>87,884,886</u>
	<u>172,658,369</u>	<u>154,583,619</u>
Total Borrowings	<u>174,804,863</u>	<u>186,660,744</u>

Management considers that the amortised cost of the abovementioned borrowings approximates their carrying values at the balance sheet date as the interest rates charged reflect current market conditions

VAT loan (Eroski)

On 23 May 2010 the Company entered into a loan agreement with La Caixa, BBVA, Banesto & Banco Santander (the "Syndicate"), whereby the Syndicate loaned the Company an amount of €9,827,525, which has been fully drawn, to pay the VAT on the Eroski portfolio acquisition

Bank Debt	2014	2013
The Group	€	€
Amounts falling due within one year - Bank loans	2,146,494	32,077,125
Amounts falling due after more than one year – Bank loans	90,161,026	64,500,548
Total Bank loans	<u>92,307,520</u>	<u>96,577,673</u>

ALTERNATIVE PROPERTY INCOME VENTURE, L.P.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
FOR THE YEAR ENDED 30 JUNE 2014**

17. Borrowings (Continued)

As at 30 June 2014, the Group had the following outstanding loans payable

Nature	Issuer	Lender	Maturity date	Interest rate	Carrying value as at 01/07/2013 in EUR	Debt issue costs	Borrowing (incl. debt issue cost) in EUR	Reimbursement (Principal paid) in EUR	Carrying value as at 30/06/2014 in EUR (net of debt issue cost)
Senior Credit Facility	Barclays Bank PLC	Marseille Kliniken Portfolio	30/09/2017*	Fixed rate of 4.307% + Margin + Mandatory cost	29,930,630	-	-	(29,930,630)	-
Senior Credit Facility	Bank für Sozialwirtschaft AG	Marseille Kliniken Portfolio	30/09/2017*	Fixed rate of 2.98%	-	-	29,236,922	(613,647)	28,623,275
Long term bank loan	Volksbank Scharing Gen. m. b. H.	Grafenau Properties S. a. r. l.	01/01/2016	3 month interest Euribor+ 1.25%	3,874,486	-	-	(261,600)	3,612,886
Long term bank loan	Bank für Sozialwirtschaft AG	Seniorenpark Gadenstedt GmbH & Co. KG	23/04/2016	Fixed rate of 4.49%	4,144,226	-	-	(96,332)	4,047,894
Long term bank loan	Bank für Sozialwirtschaft AG	Sellin Properties S. a. r. l.	30/06/2017	Fixed rate of 3.34%	7,587,216	20,374	-	(136,430)	7,471,160
Long term bank loan	Bank für Sozialwirtschaft AG	Oberstaufen Properties S. a. r. l.	30/06/2017	Fixed rate of 3.34%	3,200,787	9,379	-	(57,693)	3,152,473
Long term bank loan	Bank für Sozialwirtschaft AG	Scheidegg Properties S. a. r. l.	30/06/2017	Fixed rate of 3.34%	6,233,327	16,595	-	(106,400)	6,143,522
Long term bank loan	Bank für Sozialwirtschaft AG	Schwedeneck Properties S. a. r. l.	30/06/2017	Fixed rate of 3.34%	3,862,878	11,031	-	(69,486)	3,804,423
Long term bank loan	La Caixa, BBVA, Banesto & Banco Santander	Eroski Portfolio	23/05/2018	3 month interest Euribor+ 2.75%	25,996,700	132,758	-	(2,272,739)	23,856,719
Long term bank loan	Bank für Sozialwirtschaft AG	Seniorenpark Nienhagen GmbH & Co. KG	04/07/2037	Fixed rate of 3.34%	2,446,358	6,250	-	(39,261)	2,413,347
Long term bank loan	Bank für Sozialwirtschaft AG	Seniorenpark Meine GmbH	04/07/2037	Fixed rate of 3.34%	4,402,757	11,250	-	(64,691)	4,349,316
Long term bank loan	Bank für Sozialwirtschaft AG	Seniorenpark Dorfzentrum Haemelerwald GmbH	04/07/2037	Fixed rate of 3.34%	4,898,308	12,500	-	(78,303)	4,832,505
Total					96,577,673	220,137	29,236,922	(33,727,212)	92,307,520

ALTERNATIVE PROPERTY INCOME VENTURE, L.P.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED FOR THE YEAR ENDED 30 JUNE 2014

17. Borrowings (Continued)

* The €35 42 million Marseille Kliniken loan facility with Barclays Bank PLC matured 10 February 2013. Fund Management has negotiated an extension to the facility to 30 September 2017 and has agreed terms with Bank für Sozialwirtschaft AG to refinance the facility in full, which was made on 30 September 2013.

Derivative financial instruments

Portfolio / Country	Bank	Hedge type	Floatin g rate	Effective Date	Maturity Date	Fixed rate	Nominal €	2013 €	Impact for the year €	2014 €
Eroski / Spain	La Caixa, BBVA, Banesto & Banco Santander	Interest rate swap	Euribor 3 months + 2.75%	23/05/2011	23/05/2018	3.0080%	26,599,772	(2,198,185)	146,774	(2,051,411)
Total							26,599,772	(2,198,185)	146,774	(2,051,411)

The loan for the Eroski portfolio has been hedged to protect against the adverse interest rate movements, currently paying floating rate as stated above.

18. Provisions for liabilities

Deferred Tax

The deferred tax liability recognised during the year pertains to differences relating to depreciation of certain investment properties. The movement in the deferred tax liability is shown in note 7.

Deferred income tax assets are recognised for tax losses carried forward to the extent that the realisation of the related tax benefit through future taxable profits is probable. Based on management's current assessment of the probability of the realisation of the tax benefit, the Group has recognised deferred tax assets at 30 June 2014 of €107,320 (2013: €5,713,995).

19. Analysis of Cash Flow Statement

	2014	2013
i Net cash flow from operating activities	€	€
Operating profit	30,785,934	28,798,487
(Increase)/ Decrease in debtors	(1,993,319)	9,957,893
Decrease in creditors	(2,200,547)	(429,444)
Effect of translation to presentational currency	-	(3,041,074)
Other non-cash movements	(6,251,822)	(2,204,391)
Profit on disposal of property	(665,000)	-
Tax received/ (paid)	1,377,534	(5,693,803)
Net cash inflow from operating activities	21,052,780	27,387,668
ii Returns on investment and servicing of finance	€	€
Interest received	204,237	200,847
Interest paid	(7,497,613)	(11,005,008)
Bank Fees	(415,343)	(675,487)
Net cash flow	(7,708,719)	(11,479,648)

ALTERNATIVE PROPERTY INCOME VENTURE, L.P.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
FOR THE YEAR ENDED 30 JUNE 2014**

19. Analysis of Cash Flow Statement (Continued)

	2014	2013
	€	€
iii Capital expenditure and financial investment		
Proceeds from disposal of investment properties	3,425,000	2,300,000
Capital expenditure on investment properties acquired through purchase of a subsidiary	(575,450)	(210,234)
Proceeds from disposal of subsidiary undertakings	-	25,242,762
Repayment from Joint Venture	190,448	269,999
Net cash flow	3,039,998	27,602,527

	2014	2013
	€	€
iv Financing		
Increase in borrowings	-	11,880,000
Decrease in borrowings	(11,743,627)	(18,201,850)
Repayment of Loan to Partners	(27,334,745)	(20,335,652)
Net cash flow	(39,078,372)	(26,657,502)

v Analysis in net debt

	At 1 Jul 2013	Cash flow	Other Non cash changes	Exchange movement	At 30 Jun 2014
	€	€	€	€	€
Cash in hand and at bank	38,641,210	(22,694,313)	-	-	15,946,897
Debt due after 1 year	(154,583,619)	(18,040,230)	(34,520)	-	(172,658,369)
Debt due within 1 year	(32,077,125)	29,930,631	-	-	(2,146,494)
	(148,019,534)	(10,803,912)	(34,520)	-	(158,857,966)

20. Contingent liabilities

Capital commitments - Accor portfolio

The Group's total capital commitment for this project is €70.32 million. As at 30 June 2014 the Group's subscribed commitment is €65.39 million (2013: €65.39 million) which has been called and paid up. It has been agreed that the remaining balance of €4.93 million (2013: €4.93 million) will not be called but will be funded by future cash flows of the portfolio.

ALTERNATIVE PROPERTY INCOME VENTURE, L.P.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
FOR THE YEAR ENDED 30 JUNE 2014**

20. Contingent liabilities (Continued)

Pledge agreement - Barclays facility

Pursuant to and in accordance with the Pledge Agreements annexed to the loan facility agreement dated 30 September 2013, the Company has granted an assignment of the non-certificated comprehensive land charge for a total amount of €30,000,000 in favour of Bank für Sozialwirtschaft AG, as well as a corporate security in total amount of €40,000,000 and a pledge over the total rental income of the portfolio, amounting to €6,301,046 for the year ending 30 June 2014

21. Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial or operating decisions or vice versa or where the Group and other parties are subject to common control or common significant influence. Related parties may be individuals or entities. The Group is a related party to the Axa Group as well as the Asset Management Company and Investment Advisor.

(a) Management fee

The General Partner appointed AXA Real Estate Investment Managers UK Limited as a Real Estate Adviser (the "Real Estate Adviser") to provide advisory services to the Group in respect of the Group's real estate portfolio. The Real Estate Adviser receives in return a management fee based on the "Weighted Average Appraised Value of the Portfolio", using the annual rate of 0.55% together with reasonable expenses payable quarterly in arrears. The management fee shall be reduced by an amount equal to the fees payable to the Real Estate Adviser by the property subsidiaries such that the total fees payable by the Group to the Real Estate Adviser will not exceed 0.55% per annum. Total management fees for the year amounted to €2,576,101 (2013: €2,795,885) of which €575,856 (2013: €1,477,533) was outstanding as management fee accrued and payable to the Real Estate Adviser at the end of the year.

(b) Transaction fee

The General Partner appointed the Real Estate Adviser to provide advisory services to the Group specifically in connection with the acquisition of real estate investments. The Real Estate Adviser receives in return a fee based on the Acquisition Cost of a property, payable at the time of the acquisition at the rate of 0.50%. There was no transaction fee for the year (2013: €Nil) and all outstanding transaction fees have been paid (2013: €Nil).

(c) Board of Directors' remuneration

The total remuneration paid to the directors of the Company (based in Luxembourg) during the year was €24,000 (2013: €24,000), consisting only of fixed Managers' fees. No remuneration was paid by the Group to those Managers who are employed by the Real Estate Adviser or its associates.

(d) Accor portfolio - interest income

(i) Interest income

As outlined in Note 9, the Group made a long term loan to Oteli Europe S à r l. The Group recognised interest income in respect of this loan in the amount of €204,237 (2013: €200,847), the amount is included in interest income in the Consolidated Profit and Loss Account.

ALTERNATIVE PROPERTY INCOME VENTURE, L.P.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED FOR THE YEAR ENDED 30 JUNE 2014

21. Related party transactions (Continued)

(ii) Restricted cash reserve requirement

As part of the financing arrangements related to the Accor Portfolio (see Note 9), during the financial year ended 30 June 2008 a total restricted cash reserve of €10,000,000 was required to be placed with Calyon for the life of the loan (seven years) entered into by Otelı Europe S à r l. The Group, Otelı France SPPICAV and CBI Orient S A S were required to contribute one third each. The cash reserve is remunerated at Euro Over Night Index Average (EONIA) less 0.15%. The Group's contribution to the cash reserve of €3,333,333 has been recognised as a loan receivable in the Consolidated Balance Sheet.

(e) Shareholder loan interest

During the year, the Group made a part repayment of shareholder B loans of €23,534,490 (2013: €8,128,774) and paid €14,540,157 (2013: €7,371,226) of capitalised interest on shareholders B loans out of which €27,334,745 (2013: €20,335,652) was repaid to the Partners.

22. Subsidiaries

Directly owned by the Partnership at 30 June 2014:

Subsidiary	Country of Incorporation	Ownership Interest	Principal Activities
Alternative Property Income ELP Subco S à r l	Luxembourg	100.00%	Holding company

Indirectly owned by the Partnership at 30 June 2014

Alternative Property Income Venture S C A	Luxembourg	71.85%	Holding company
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Directly and Indirectly owned by the Company at 30 June 2014:

APIV S C S	Luxembourg	94.80%	Holding company
APIV Holdings B V	Netherlands	100.00%	Holding company
Bad Saeckingen Properties S à r l	Luxembourg	100.00%	Property company
Burg Properties S à r l	Luxembourg	100.00%	Property company
Defense Frejus S A S	France	100.00%	Holding company
Grafenau Properties S à r l	Luxembourg	100.00%	Property company
Gruenheide Properties S à r l	Luxembourg	100.00%	Property company
Hamburg Properties S à r l	Luxembourg	100.00%	Property company
Altenhof Properties S à r l	Luxembourg	100.00%	Property company
Luxco Properties 7 S à r l	Luxembourg	100.00%	Holding company
Medical Property Holdings S a r l	Luxembourg	100.00%	Holding company
Oberstaufen Properties S à r l	Luxembourg	100.00%	Property company
Orientex Holdings S A S	France	100.00%	Holding company
Port Frejus S A S	France	100.00%	Holding company
Scheidegg Properties S à r l	Luxembourg	100.00%	Property company
Schwedeneck Properties S à r l	Luxembourg	100.00%	Property company
Sellin Properties S à r l	Luxembourg	100.00%	Property company
Zehlendorf Properties S à r l	Luxembourg	100.00%	Property company

ALTERNATIVE PROPERTY INCOME VENTURE, L.P.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
FOR THE YEAR ENDED 30 JUNE 2014**

22. Subsidiaries (Continued)

Indirectly owned through Luxco Properties 7 S.à r.l., Medical Property Holdings S.à r.l., Defense Frejus S.A.S., Port Frejus S.A S, and APIV Holdings B.V.:

Subsidiaries	Country of Incorporation	Indirect Ownership Interest	Principal Activities
Luxco Properties 7 S.à r.l.			
Seniorenzentrum Beteiligungs GmbH Germany	Germany	100 00%	General Partner
Seniorenzentrum Gagenstedt GmbH & Co KG	Germany	94 90%	Holding company
Seniorenpark Gagenstedt GmbH & Co KG	Germany	99 74%	Property company
Seniorenpark Nienhagen GmbH & Co KG	Germany	99 74%	Property company
Seniorenpark Spenge-Lenzinghausen GmbH & Co KG	Germany	99 74%	Property company
Seniorenpark Meine GmbH	Germany	99 74%	Property company
Seniorenpark Dorfzentrum Hamelerwald GmbH	Germany	99 74%	Property company
Seniorenpark Eichenhof Lachendorf GmbH	Germany	99 74%	Property company
Seniorenzentrum Meine GmbH & Co KG	Germany	94 90%	Holding company
Seniorenzentrum Hamelerwald GmbH & Co KG	Germany	94 90%	Holding company
Seniorenzentrum Lachendorf GmbH & Co KG	Germany	94 90%	Holding company
Medical Property Holdings S à r.l.			
Bad Schonborn Properties S à r l	Luxembourg	100 00%	Property company
Bremerhaven Properties S à r l	Luxembourg	100 00%	Property company
Kirschberg Properties S a r l	Luxembourg	100 00%	Property company
Kreuzberg Properties S à r l	Luxembourg	100 00%	Property company
Gengenbach Properties S à r l	Luxembourg	100 00%	Property company
Schomberg (Care Home) Properties S à r l	Luxembourg	100 00%	Property company
Schomberg (Clinic) Properties S à r l	Luxembourg	100 00%	Property company
Defense Frejus S.A.S./Port Frejus S.A.S.			
Volney Frejus S A S	France	100 00%	Property company
APIV Holdings B V.			
APIV Auto Este S L	Spain	100 00%	Property company
APIV Auto Centro S L	Spain	100 00%	Property company
APIV Auto Oeste S L	Spain	100 00%	Property company

ALTERNATIVE PROPERTY INCOME VENTURE, L.P.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
FOR THE YEAR ENDED 30 JUNE 2014**

23. Profit Share Payable to General Partner

The General Partner is due, in accordance with clause 8 of the Partnership Deed to the sum of €1,000 per annum as a first charge on the distributable profits of the Partnership

24. Post Balance Sheet Events

On 30 June 2015, the Group disposed of the shares of Orientex SAS which held on third of interest in Otel France, for a total intermediary sale price of EUR 46 million which will be adjusted in September 2015

25. Ultimate Controlling Party

Alternative Property Income Venture (General Partner) Limited, a company ultimately owned by the AXA group, acts as General Partner. In the opinion of the General Partner, the Partnership is a related party of the General Partner, under the conditions set out in FRS 8 "Related party disclosures". For its services, the General Partner is entitled to the profit share disclosed in note 23

The General Partner has appointed AXA Real Estate Investment Managers UK Limited, a company ultimately owned by the AXA group, to act as Real Estate Adviser with responsibility for day to day management and achieving the Partnership's objectives for the property. In the opinion of the directors of the General Partner, the Partnership and the General Partner are related parties of the Real Estate Adviser, under the conditions set out in FRS 8 "Related party disclosures"

For its services, the Real Estate Adviser is entitled to an ongoing management fee of 0.55% per annum based on the Weighted Average Appraised Value of the Portfolio. In addition, the Real Estate Adviser was also appointed to provide advisory services to the Partnership specifically in connection with the acquisition of real estate investments. The Real Estate Adviser receives in return a fee based on the Acquisition Cost of a property payable at the rate of 0.50%

The management fee and transaction fee payable by the Partnership shall be reduced by an amount equal to the fees payable to the Real Estate Adviser by Alternative Property Income Venture S C A (the "Company") and its property subsidiaries such that the total fees payable to the Real Estate Adviser will not exceed 0.55% per annum. For the year to 30 June 2014 all fees payable to the Real Estate Adviser have been charged to the Company and its related property subsidiaries and therefore there are no further fees payable by the Partnership to the Real Estate Adviser

Under the terms of the Partnership Deed, the Limited Partners are entitled to distributions from the income and capital accounts, after the General Partner's Profit Share as outlined in note 23

The ultimate controlling party of the Limited Partnership is considered to be the General Partner, Alternative Property Income Venture (General Partner) Limited. The ultimate parent undertaking is AXA S A, a company incorporated in France. Copies of the group financial statements of AXA can be obtained from 23, Avenue Matignon, 75008 Paris, France