

COMPANY REGISTRATION NUMBER 06259997

FIRST POLISH PARTNERSHIP (GP) LIMITED
FINANCIAL STATEMENTS
5 APRIL 2015

THOMPSON TARAZ
Chartered Accountants
47 Park Lane
Mayfair
London
W1K 1PR



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FIRST POLISH PARTNERSHIP (GP) LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 5 APRIL 2015

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FIRST POLISH PARTNERSHIP (GP) LIMITED

DIRECTORS' REPORT

YEAR ENDED 5 APRIL 2015

The directors present their report and the unaudited financial statements of the company for the year ended 5 April 2015

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of the general partner in First Polish Property Partnership LP

DIRECTORS

The directors who served the company during the year were as follows

Mr M M Heffernan

Mr A Taraz

Mr K D Gray

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption

Registered office
47 Park Lane
London
W1K 1PR

Signed by order of the directors



Property Secretaries Limited
Company Secretary

Approved by the directors on 16 December 2015

FIRST POLISH PARTNERSHIP (GP) LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 5 APRIL 2015

	Note	2015 £	2014 £
TURNOVER		—	—
Other operating income	2	47	121
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(47)	(121)
Tax on loss on ordinary activities		—	—
LOSS FOR THE FINANCIAL YEAR		(47)	(121)
Balance brought forward		(725)	(604)
Balance carried forward		(772)	(725)

The notes on pages 4 to 5 form part of these financial statements

FIRST POLISH PARTNERSHIP (GP) LIMITED

BALANCE SHEET

5 APRIL 2015

	Note	2015 £	£	2014 £
FIXED ASSETS				
Investments	4		<u>1</u>	<u>1</u>
CURRENT ASSETS				
Debtors	5	1,066		1,066
CREDITORS: Amounts falling due within one year	6	<u>1,837</u>		<u>1,790</u>
NET CURRENT LIABILITIES			(771)	(724)
TOTAL ASSETS LESS CURRENT LIABILITIES			(770)	(723)
CREDITORS: Amounts falling due after more than one year	7		<u>1</u>	<u>1</u>
			(771)	(724)
CAPITAL AND RESERVES				
Called-up equity share capital	9		<u>1</u>	<u>1</u>
Profit and loss account			(772)	(725)
DEFICIT			(771)	(724)

For the year ended 5 April 2015 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies

Directors' responsibilities

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476, and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These accounts were approved by the directors and authorised for issue on 16 December 2015, and are signed on their behalf by


K Gray
Director

Company Registration Number 06259997

The notes on pages 4 to 5 form part of these financial statements.

FIRST POLISH PARTNERSHIP (GP) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 5 APRIL 2015

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Investment properties

All fixed assets are initially recorded at cost

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2. OTHER OPERATING INCOME

	2015	2014
	£	£
Other operating income	<u>(47)</u>	<u>(121)</u>

3. OPERATING LOSS

Operating loss is stated after crediting

	2015	2014
	£	£
Directors' remuneration	<u>—</u>	<u>—</u>

4. INVESTMENTS

Investments

	£
COST	
At 6 April 2014 and 5 April 2015	<u>1</u>
NET BOOK VALUE	
At 5 April 2015 and 5 April 2014	<u>1</u>

The investment represents a capital contribution to First Polish Property Partnership LP

FIRST POLISH PARTNERSHIP (GP) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 5 APRIL 2015

5. DEBTORS

	2015	2014
	£	£
Called up share capital not paid	1	1
Other debtors	<u>1,065</u>	<u>1,065</u>
	<u>1,066</u>	<u>1,066</u>

6. CREDITORS: Amounts falling due within one year

	2015	2014
	£	£
Other creditors	<u>1,837</u>	<u>1,790</u>

7. CREDITORS: Amounts falling due after more than one year

	2015	2014
	£	£
Other creditors	<u>1</u>	<u>1</u>

8. RELATED PARTY TRANSACTIONS

The company was under the control of Mr A Taraz throughout the current and previous year Mr Taraz is a director and sole shareholder

No transactions with related parties were undertaken such as are required to be disclosed under the Financial Reporting Standard 8

9. SHARE CAPITAL

Authorised share capital:

	2015	2014
	£	£
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

Allotted and called up:

	2015		2014
	No	£	No
	£	£	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>

The amounts of paid up share capital for the following categories of shares differed from the called up share capital stated above due to unpaid calls and were as follows

	2015	2014
	£	£
Ordinary shares	<u>1</u>	<u>1</u>

REGISTRATION NUMBER LP12224

FIRST POLISH PROPERTY PARTNERSHIP LP
FINANCIAL STATEMENTS
YEAR ENDED 5 APRIL 2015

THESE FINANCIAL STATEMENTS
ACCOUNTS FORM
PART OF THE FINANCIAL STATEMENTS
OF COMPANY
No. 6259997

FIRST POLISH PROPERTY PARTNERSHIP LP

FINANCIAL STATEMENTS

YEAR ENDED 5 APRIL 2015

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FIRST POLISH PROPERTY PARTNERSHIP LP

OPERATOR AND PROFESSIONAL ADVISERS

Operator of Partnership

Thompson Taraz Depositary Limited
35 Grosvenor Street
Mayfair
London
W1K 4QX

General Partner

First Polish Property Partnership (GP)
Limited
35 Grosvenor Street
Mayfair
London
W1K 4QX

Solicitors to the Partnership

Nabarro LLP
Lacon House
84 Theobald's Road
London
WC1X 8RW

Independent Auditors

Menzies LLP
Lynton House
7-12 Tavistock Square
London
WC1H 9LT

Bankers

HSBC
133 Regent Street
London
W1B 4HX

FIRST POLISH PROPERTY PARTNERSHIP LP

GENERAL PARTNER'S REPORT

YEAR ENDED 5 APRIL 2015

The General Partner has pleasure in presenting its report on the operations of the Partnership for the year ended 5 April 2015 together with the financial statements.

PRINCIPAL ACTIVITIES, REVIEW AND FUTURE DEVELOPMENTS

The principal activity of the Partnership is that of property investment.

The Partnership holds shares and non interest bearing loan notes in Polonia Property Fund II Limited, a company registered in Guernsey set up to acquire interests in a broad range of office, retail and industrial properties occupied by high quality tenants predominantly in Poland, but also across other Central and Eastern European countries.

During the year there were two distributions to Partners totalling €459,200 (16% of the total drawn capital of the company). Polonia Property Fund II Limited are proposing two further distributions during 2015 equating to 8% of the total drawn capital of the company.

The intention, as referred to in the Information Memorandum, was to exit the investment through the sale of the properties after 7 years with the possibility of extending by 1 year. In 2014 the Fund Manager confirmed that the life of the Fund will be extended by one year to 31 July 2015. As of 31 July 2015 the Fund Manager intends to recommend the Board of Directors of Polonia Property Fund II Limited put the Company into liquidation with no specific deadline for disposal of the assets.

The principal risks and uncertainties facing the Partnership are set out in the Information Memorandum. These are not reproduced here, as this report is prepared under the provisions applicable to small entities.

CONSTITUTION AND GOVERNANCE

The Partnership is a limited partnership, initially registered on 14 June 2007, which entered into a Limited Partnership Agreement on 6 July 2007 ("the Partnership Agreement") and is registered under the Limited Partnership Act 1907. The initial term of the Partnership is for 7 years.

The Registered Office of the General Partner and the principal place of business of the Partnership is 35 Grosvenor Street, London, W1K 4QX.

The Operator of the Partnership is Thompson Taraz Depositary Limited (formerly Thompson Taraz Collectives Limited).

RESULTS AND DISTRIBUTIONS

The Partnership's loss for the year was €12,959.

FIRST POLISH PROPERTY PARTNERSHIP LP

GENERAL PARTNER'S REPORT

YEAR ENDED 5 APRIL 2015

THE PARTNERS

The General Partner is First Polish Partnership (GP) Limited. The Limited Partners contributions are as set out in the Limited Partners Contributions and Income Accounts note. Each limited partner's contribution in the Partnership is made up of a Capital Contribution and a Loan Contribution.

STATEMENT OF GENERAL PARTNER'S RESPONSIBILITIES

The General Partner is responsible for preparing the General Partners Report and the financial statements in accordance with applicable law and regulations.

The Partnership Agreement requires the General Partner to prepare financial statements for each financial year. Under that law the General Partner has elected to prepare the financial statements in accordance with Generally Accepted Accounting Practices in the United Kingdom and applicable law. The General Partner 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 Partnership and the profit and loss of the Partnership for that period.

In preparing these financial statements, the General Partner is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 Limited Partnership will continue in business.

The General Partner is responsible for keeping adequate accounting records that are sufficient to show and explain the Partnerships transactions and disclose with reasonable accuracy at any time the financial position of the Partnership and enable them to ensure that the financial statements comply with the Partnerships (Accounts) Regulation 2008. They are also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

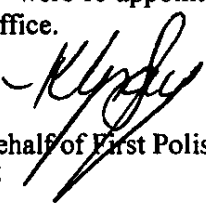
STATEMENT OF DISCLOSURE TO AUDITORS

- a) So far as the General Partner is aware, there is no relevant audit information of which the partnership's auditors are unaware; and
- b) It has taken all steps that it ought to have taken as a General Partner in order to make itself aware of any relevant audit information and to establish that the Partnership's auditors are aware of that information.

AUDITORS

Menzies LLP were re-appointed as auditors during the year and have expressed their willingness to continue in office.

Director
For and on behalf of First Polish Partnership (GP) Limited
28 May 2015



FIRST POLISH PROPERTY PARTNERSHIP LP
INDEPENDENT AUDITORS' REPORT TO THE PARTNERS OF FIRST
POLISH PROPERTY PARTNERSHIP LP
YEAR ENDED 5 APRIL 2015

We have audited the financial statements of First Polish Property Partnership LP for the year ended 5 April 2015 on pages 6 - 10. 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)

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

RESPECTIVE RESPONSIBILITIES OF THE GENERAL PARTNER AND AUDITOR

As explained more fully in the General Partners Responsibilities Statement set out on page 3, 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 International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

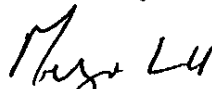
- give a true and fair view of the state of the Partnership's affairs as at 5 April 2015 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with 'The Partnerships (Accounts) Regulations 2008' and the Limited Partnership Agreement.

FIRST POLISH PROPERTY PARTNERSHIP LP
INDEPENDENT AUDITORS' REPORT TO THE PARTNERS OF FIRST
POLISH PROPERTY PARTNERSHIP LP
YEAR ENDED 5 APRIL 2015

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where The Partnerships (Accounts) Regulations 2008 and the Limited Partnership Agreement requires us to report to you if, in our opinion:

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



PHILIP KING FCA (Senior Statutory Auditor)
For and on behalf of
MENZIES LLP
Chartered Accountants & Statutory Auditor

Lynton House
7-12 Tavistock Square
London
WC1H 9LT

28 May 2015

FIRST POLISH PROPERTY PARTNERSHIP LP

PROFIT AND LOSS STATEMENT

YEAR ENDED 5 APRIL 2015

	Note	2015 €	2014 €
INCOME	2	—	—
OPERATING COSTS			
Other operating charges		(33,670)	(33,488)
OPERATING LOSS	3	(33,670)	(33,488)
Interest receivable	5	113	110
Interest payable and similar charges	6	20,598	4,137
LOSS ON ORDINARY ACTIVITIES FOR THE FINANCIAL YEAR BEFORE AND AFTER TAXATION		(12,959)	(29,241)
LOSS FOR THE FINANCIAL YEAR		(12,959)	(29,241)
Balance brought forward		(410,871)	(381,630)
Balance carried forward		(423,830)	(410,871)

All of the activities of the Partnership are classed as continuing.

There is no difference between the income on ordinary activities and net income for the period stated above and their historical cost equivalent.

All recognised gains and losses in the year are included in the profit and loss account

The notes on pages 8 - 10 form part of these financial statements.

FIRST POLISH PROPERTY PARTNERSHIP LP

BALANCE SHEET

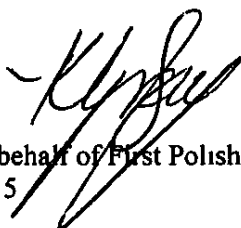
5 APRIL 2015

	Note	2015 €	2014 €
FIXED ASSETS			
Investments	7	<u>3,434,800</u>	<u>3,487,000</u>
CURRENT ASSETS			
Debtors	8	121	121
Cash at bank		<u>190,853</u>	<u>203,812</u>
		<u>190,974</u>	<u>203,933</u>
CREDITORS: Amounts falling due within one year		<u>-</u>	<u>-</u>
NET CURRENT ASSETS		<u>190,974</u>	<u>203,933</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,625,774</u>	<u>3,690,933</u>
NET ASSETS		<u>3,625,774</u>	<u>3,690,933</u>
FUNDED BY:			
Partners' capital contribution account	10	7,686	7,686
Partners' loan contribution account	10	3,017,918	3,477,118
Partners' capital appreciation account	10	1,024,000	617,000
Partners' income account	10	<u>(423,830)</u>	<u>(410,871)</u>
		<u>3,625,774</u>	<u>3,690,933</u>

These financial statements have been prepared in accordance with the special provisions for small entities in accordance with Generally Accepted Accounting Practice in the United Kingdom

The financial statements were approved by the General Partner and authorised for issue on 28 May 2015

Director
For and on behalf of First Polish Partnership (GP) Limited
28 May 2015



Registration Number LP12224

The notes on pages 8 - 10 form part of these financial statements.

FIRST POLISH PROPERTY PARTNERSHIP LP

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 5 APRIL 2015

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investments. The financial statements have been prepared on a going concern basis in accordance with Generally Accepted Accounting Practices in the United Kingdom, The Partnerships (Accounts) Regulations 2008 and with the terms of the Partnership Agreement, which have been applied consistently.

Cash flow statement

The partnership has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small entity.

Investments

A surplus over original cost of a Fixed Asset investment is transferred to a revaluation reserve account. A deficit is recognised in the profit and loss account unless and to the extent it comprises a previous revaluation surplus in which case it is recognised in the revaluation reserve.

On realisation, any gain or loss is calculated by reference to the carrying value at the last balance sheet date and is included in the income and expenditure account. Any balance in the revaluation reserve, immediately prior to realisation, is then transferred directly to the Partners' income account.

Issue costs

Issue costs with respect to partner's loans received are set off against the Partner's Loan Contribution balance.

Taxation

The Partnership is carrying on the business of property investment and should have no tax liability in respect of income and gains distinct from that incurred by the partners. Income and gains generated by the Partnership are attributed to the partners for tax purposes pro rata to their investment as set out in the Partnership Agreement.

Distributions

The Partnership has a full distribution policy of all net positive cash flows to all partners, subject to a cash provision being maintained to cover any administration or management costs.

FIRST POLISH PROPERTY PARTNERSHIP LP

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 5 APRIL 2015

7. INVESTMENTS *(continued)*

3. OPERATING DEFICIT

Operating deficit is stated after charging.

	2015	2014
	€	€
Auditors' remuneration	4,197	3,736
Foreign exchange gains and losses	(21,844)	(4,555)
	<u>(17,647)</u>	<u>(819)</u>

4. PARTNER REMUNERATION AND EMPLOYEE INFORMATION

The partners received no remuneration from the Partnership. The Partnership does not have any employees.

5. INTEREST RECEIVABLE

	2015	2014
	€	€
Interest receivable	<u>113</u>	<u>110</u>

Interest receivable comprises entirely of bank interest receivable.

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2015	2014
	€	€
Bank charges	1,246	418
Other similar charges payable	(21,844)	(4,555)
	<u>(20,598)</u>	<u>(4,137)</u>

7. INVESTMENTS

	Investments €
VALUATION	
At 6 April 2014	3,487,000
Additions	(459,200)
Revaluation	407,000
At 5 April 2015	<u>3,434,800</u>

FIRST POLISH PROPERTY PARTNERSHIP LP

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 5 APRIL 2015

7. INVESTMENTS *(continued)*

The original cost of the investment is €2,870,000 (2014: €2,870,000).

On 31 July 2007, the Partnership made a Capital Commitment of €7,000,000 in Polonia Property Fund II Limited. Polonia Property Fund II Limited had its first closing on 31 July 2007 with aggregate commitments of €200m.

The initial investment under this commitment of €700,000 comprised 700 €0.01 participating redeemable preference shares issued at €1,000 each. The balance of the commitment comprises interest-free, non-recourse subordinated loan notes. In 2010 Polonia II advised that it did not intend to make any further capital calls on the Partnership and therefore the Partnership returned approximately €4,000,000 of unused monies.

8. DEBTORS

	2015	2014
	€	€
Other debtors	<u>121</u>	<u>121</u>

9. DISTRIBUTION TO PARTNERS

During the year there were two distributions to Partners totalling €459,200 (16% of the total drawn capital of the company). Polonia Property Fund II Limited are proposing two further distributions during 2015 equating to 8% of the total drawn capital of the company.

10. LIMITED PARTNERS CONTRIBUTIONS AND INCOME ACCOUNTS

	Loan Contribution	Capital Contribution	Net Income	Capital Appreciation
	€	€	€	€
Balance brought forward	3,477,118	7,686	(410,871)	617,000
Loan repayments during the year	(459,200)	-	-	-
Loss for the year	-	-	(12,959)	-
Uplift in base market value	-	-	-	407,000
	<u>3,017,918</u>	<u>7,686</u>	<u>(423,830)</u>	<u>1,024,000</u>

Notice of Meeting

NOTICE IS GIVEN that the ANNUAL GENERAL MEETING of First Polish Property Partnership LP will be held at 35 Grosvenor Street, London, W1K 4QX on Friday 18th July 2015 at 3pm for the following purposes:

To receive and consider the General Partners' report and the Financial Statements for the period ended 5 April 2015

By Order of the General Partner

Director

For and on behalf of First Polish Partnership (GP) Limited
28 May 2015

A holder entitled to attend and vote may appoint a proxy and, on a poll, to vote in his/her stead. A holder being a corporation may authorise any person to be its representative at the meeting.