

Registered number: 06312634

Moorfield Real Estate Fund II GP Limited

Annual report and financial statements

For the year ended 31 December 2015



Moorfield Real Estate Fund II GP Limited

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Moorfield Real Estate Fund II GP Limited

Company information

Directors	Marc Gilbard Graham Stanley Nicholas Edwards Charles Ferguson-Davie
Company secretary	Saira Johnston
Registered number	06312634
Registered office	Nightingale House 65 Curzon Street London W1J 8PE
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 1 Embankment Place London WC2N 6RH
Bankers	Lloyds Banking Group Plc London Chief Office PO Box 54873 London SW1Y 5WX

Moorfield Real Estate Fund II GP Limited

Directors' report For the year ended 31 December 2015

The directors present their report and the audited financial statements of Moorfield Real Estate Fund II GP Limited (the "Company") for the year ended 31 December 2015.

Principal activity

The Company's principal activity during the year was that of being the general partner of Moorfield Real Estate Fund II "A" Limited Partnership and Moorfield Real Estate Fund II "B" Limited Partnership.

Results

The Company's profit for the financial year amounted to £176,000 (2014 - loss £140,000).

Financial instruments

Financial Risk Management

The Groups operations expose it to a variety of financial risks including the effects of changes in interest rates on debt, liquidity risk and credit risk. The Company's principal financial instruments comprise sterling cash and bank deposits, together with trade debtors and trade creditors that arise directly from its operations.

Directors

The directors who served during the year and up to the date of signing the financial statements were:

Marc Gilbard
Graham Stanley
Nicholas Edwards
Charles Ferguson-Davie

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ('FRS 102'). 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:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of financial statements; and
- 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.

Moorfield Real Estate Fund II GP Limited

Directors' report

For the year ended 31 December 2015

Statement of disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

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

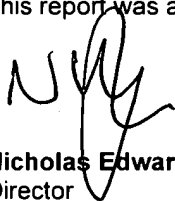
Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office, and a resolution that they be reappointed will be proposed at the annual general meeting.

Small companies' exemption

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

This report was approved by the board on 10 August 2016 and signed on its behalf.



Nicholas Edwards
Director

Moorfield Real Estate Fund II GP Limited

Independent auditors' report to the members of Moorfield Real Estate Fund II GP Limited

Report on the financial statements

Our opinion

In our opinion, Stessa Holdings Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the Company's affairs as at 31 December 2015 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.

What we have audited

The financial statements, included within the Annual report, comprise:

- the Balance sheet as at 31 December 2015;
- the Statement of comprehensive income for the year then ended;
- the Statement of changes in equity 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 the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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.

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 have not been 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 were not entitled to: prepare financial statements in accordance with the small companies' regime; take advantage of the small companies' exemption in preparing the Directors' report; and take advantage of the small companies' exemption from preparing a Strategic report. We have no exceptions to report arising from this responsibility.

Moorfield Real Estate Fund II GP Limited

Independent auditors' report to the members of Moorfield Real Estate Fund II GP Limited

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 statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors, including "APB Ethical Standard - Provisions Available for Small Entities (Revised)".

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.

What an audit of financial statements involves

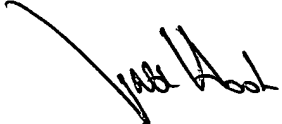
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error.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

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual report and financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Jonathan Hook (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
1 Embankment Place
London
WC2N 6RH

Date: 10 August 2016

Moorfield Real Estate Fund II GP Limited

**Statement of comprehensive income
For the year ended 31 December 2015**

	Note	2015 £000	2014 £000
Turnover	5	<u>2,250</u>	<u>-</u>
Gross profit		2,250	-
Administrative expenses		<u>(2,251)</u>	<u>-</u>
Operating (loss)/profit	6	(1)	-
Interest receivable and similar income	9	<u>14</u>	<u>23</u>
Profit on ordinary activities before taxation		13	23
Tax on profit on ordinary activities	10	<u>163</u>	<u>(163)</u>
Profit/(loss) for the financial year and total comprehensive income for the year		<u>176</u>	<u>(140)</u>

The notes on pages 9 to 15 form part of these financial statements.

Moorfield Real Estate Fund II GP Limited
Registered number:06312634

Balance sheet
As at 31 December 2015

	Note		2015 £000	2014 £000
Current assets				
Debtors: amounts falling due within one year	11	337	777	
Cash at bank and in hand		453	-	
		<u>790</u>	<u>777</u>	
Creditors: amounts falling due within one year	12	(27)	(27)	
Net current assets			<u>763</u>	<u>750</u>
Total assets less current liabilities			<u>763</u>	<u>750</u>
Provisions for liabilities				
Deferred taxation	13	-	(163)	
		<u>-</u>	<u>(163)</u>	
Net assets			<u><u>763</u></u>	<u><u>587</u></u>
Capital and reserves				
Called up share capital	14	-	-	
Profit and loss account		763	587	
Total equity			<u><u>763</u></u>	<u><u>587</u></u>

The financial statements on pages 6 to 15 were approved and authorised for issue by the board and were signed on its behalf on 10 August 2016



Nicholas Edwards
Director

The notes on pages 9 to 15 form part of these financial statements.

Moorfield Real Estate Fund II GP Limited

**Statement of changes in equity
As at 31 December 2015**

	Called up share capital £000	Profit and loss account £000	Total equity £000
At 1 January 2015	-	587	587
Comprehensive income for the year			
Profit for the financial year	-	176	176
At 31 December 2015	-	763	763

**Statement of changes in equity
As at 31 December 2014**

	Called up share capital £000	Profit and loss account £000	Total equity £000
At 1 January 2014	-	727	727
Comprehensive income for the year			
Loss for the financial year	-	(140)	(140)
At 31 December 2014	-	587	587

The notes on pages 9 to 15 form part of these financial statements.

Moorfield Real Estate Fund II GP Limited

Notes to the financial statements For the year ended 31 December 2015

1. General information

The Company's principal activity during the financial year was that of the general partner of Moorfield Real Estate Fund II "A" Limited Partnership and Moorfield Real Estate Fund II "B" Limited Partnership. The Company is a private company limited by shares and is incorporated and domiciled in the United Kingdom. The address of its registered office is Nightingale House, 65 Curzon Street, London, W1J 8PE

2. Statement of compliance

The financial statements of Moorfield Real Estate Fund II GP Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3. Accounting policies

3.1 Basis of preparation of financial statements

The principal accounting policies applied in the preparation of these financial statements are set out below. The Company has adopted FRS 102 in these financial statements.

These financial statements are prepared on a going concern basis, under the historical cost convention. The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

3.2 Exemptions for qualifying entities under FRS 102

The Company has taken advantage of the exemption, under FRS 102 section 7, from preparing a statement of cash flows, on the basis that it is a small company.

3.3 Revenue recognition

Revenue is recognised when the Company is contractually entitled to it.

3.4 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits with banks.

3.5 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

**Notes to the financial statements
For the year ended 31 December 2015**

3. Accounting policies (continued)

3.6 Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the Statement of comprehensive income, except to the extent that it relates to items recognised in equity. In this case tax is also recognised in equity. Current or deferred taxation assets and liabilities are not discounted.

(i) Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior period. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the year end. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(ii) Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

3.7 Related party transactions

The company discloses transactions with related parties which are not wholly owned with the same group. It does not disclose transactions with members of the same group that are wholly owned.

3.8 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**Notes to the financial statements
For the year ended 31 December 2015**

3. Accounting policies (continued)

3.9 Financial instruments

The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial assets

Basic financial assets, including other receivables, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method. At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the assets' original effective interest rate. The impairment loss is recognised in the statement of comprehensive income. If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in statement of comprehensive income.

Financial assets are derecognised when (i) the contractual rights to the cash flows from the asset expire or are settled, or (ii) substantially all the risks and rewards of the ownership of the asset are transferred to another party, or (iii) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities, including loans from fellow group undertakings, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

4. Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4.1 Critical judgements in applying the entity's accounting policies

No critical judgments have been made in applying the entity's accounting policies.

4.2 Key accounting estimates and assumptions

No key accounting estimates and assumptions have been made in applying the entity's accounting policies.

Moorfield Real Estate Fund II GP Limited

Notes to the financial statements For the year ended 31 December 2015

5. Turnover

The whole of the turnover is attributable to the Company's main activity which is carried out in the United Kingdom.

6. Operating (loss)/profit

The operating (loss)/profit is stated after charging:

	2015 £000	2014 £000
Fees payable to the Company's auditor and its associates in respect of tax compliance services	1	-

Audit fees were borne by related undertakings in both years.

7. Staff costs

The Company had no employees during the year (2014 - £nil).

8. Directors' remuneration

There was no remuneration paid to the directors by the Company during the year (2014 - £nil). There were no retirement benefits accruing to the directors (2014 - £nil).

9. Interest receivable and similar income

	2015 £000	2014 £000
Interest receivable from group companies	10	-
Other interest receivable	4	23
	14	23

Moorfield Real Estate Fund II GP Limited

Notes to the financial statements For the year ended 31 December 2015

10. Tax on profit on ordinary activities

	2015 £000	2014 £000
Current tax on profits for the year	-	-
Total current tax	-	-
Deferred tax		
Prior year adjustment	(163)	163
Total deferred tax	(163)	163
Tax on profit on ordinary activities	(163)	163

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2014 - higher than) the standard rate of corporation tax in the UK of 20.5% (2014 - 21.5%). The differences are explained below:

	2015 £000	2014 £000
Profit on ordinary activities before tax	13	23
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.5% (2014 - 21.5%)	3	5
Effects of:		
Utilisation of tax losses	(3)	(5)
Prior year deferred tax adjustment	(163)	163
Total current tax	(163)	163

Factors that may affect future tax charges

Changes to the UK corporation tax rates were substantively enacted as part of Finance Bill 2015 on 26 October 2015. These include reductions to the main rate to reduce the rate to 19% from 1 April 2017 and to 18% from 1 April 2020. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

Moorfield Real Estate Fund II GP Limited

**Notes to the financial statements
For the year ended 31 December 2015**

11. Debtors

	2015 £000	2014 £000
Amounts owed by group undertakings	<u>337</u>	<u>777</u>
	337	777

Amounts owed by group undertakings are subject to interest at a margin of 250 basis points over the Bank of England base rate and are unsecured and repayable on demand.

12. Creditors: Amounts falling due within one year

	2015 £000	2014 £000
Amounts owed to group undertakings	<u>27</u>	<u>27</u>
	27	27

Amounts owed to related party undertakings are unsecured, interest free and repayable on demand.

13. Deferred taxation

	Deferred tax £000
At 1 January 2015	(163)
Charged to the profit or loss	<u>163</u>
At 31 December 2015	-

14. Called up share capital

	2015 £	2014 £
Allotted and fully paid		
2 (2014 - 2) Ordinary shares of £1 each	<u>2</u>	<u>2</u>

Moorfield Real Estate Fund II GP Limited

Notes to the financial statements For the year ended 31 December 2015

15. Related party transactions

At 31 December 2015 the company is owed £27,000 (2014 - £27,000) from Moorfield Real Estate Fund II "A" and "B" Limited Partnerships.

During the year, the Company had the following transactions with other related parties:

	2015 £000	2014 £000
Fees from MREF II	2,250	-
	2,250	-

16. Immediate and ultimate parent undertaking and ultimate controlling party

The Company's immediate parent undertaking is Moorfield Group Limited, a company incorporated in England and Wales.

The Company's ultimate parent undertaking and controlling party is Stessa Trading Limited, a company incorporated in England and Wales.

The smallest group and largest group of undertakings for which group accounts are drawn up and of which the Company is a member is Stessa Trading Limited, a company incorporated in England and Wales. Copies of the group financial statements are available to the public on payment of the appropriate fee from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

17. First time adoption of FRS 102

This is the first year that the Company has presented its results under the FRS 102. The last financial statements under the UK GAAP were for year ended 31 December 2014. The date of transition to FRS 102 was 1 January 2015. There were no changes in accounting policies arising on the transition from UK GAAP to FRS 102.