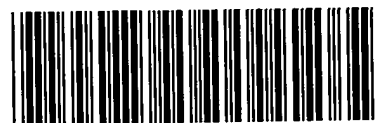


Registered number: 06312640

Moorfield Real Estate Fund II LP Limited

**Directors' report and financial statements
for the year ended 31 December 2014**

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COMPANIES HOUSE

Moorfield Real Estate Fund II LP Limited

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Moorfield Real Estate Fund II LP Limited

Company information

Directors	Marc Gilbard Graham Stanley Nicholas Edwards Charles Ferguson-Davie Saira Johnston (appointed 1 October 2014)
Registered number	06312640
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 LP Limited

Directors' report for the year ended 31 December 2014

The directors present their report and the audited financial statements of Moorfield Real Estate Fund II LP Limited (the "Company") for the year ended 31 December 2014.

Principal activity

The Company's principal activity during the year was that of a limited partner of the Moorfield Real Estate Fund II "B" Limited Partnership.

Results

The Company's loss for the financial year is £4,435,000 (2013 - £1,250,000).

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
Saira Johnston (appointed 1 October 2014)

Going concern

The directors believe that preparing the accounts on the going concern basis is appropriate due to the continued financial support of the ultimate parent company, Curzon Street Investments Limited. The directors have received confirmation that Curzon Street Investments Limited intends to support the Company for at least 12 months from the date these financial statements are approved.

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:

- 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.

Moorfield Real Estate Fund II LP Limited

**Directors' report
for the year ended 31 December 2014**

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.

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 17 July 2015 and signed on its behalf.



Saira Johnston
Director

Moorfield Real Estate Fund II LP Limited

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

Report on the financial statements

Our opinion

In our opinion, Moorfield Real Estate Fund II LP 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 2014 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 requirements of the Companies Act 2006.

What we have audited

Moorfield Real Estate Fund II LP Limited's financial statements comprise:

- the Balance sheet as at 31 December 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 the preparation of the financial statements 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.

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 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 LP Limited

Independent auditors' report to the members of Moorfield Real Estate Fund II LP 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 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 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.

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 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.



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

Date: 17 July 2015

Moorfield Real Estate Fund II LP Limited

**Profit and loss account
for the year ended 31 December 2014**

	Note	2014 £000	2013 £000
Administrative expenses		<u>(4)</u>	<u>(2)</u>
Operating loss		(4)	(2)
Interest receivable and similar income		1	-
Interest payable and similar charges	5	<u>(4,432)</u>	<u>(1,248)</u>
Loss on ordinary activities before taxation	2	(4,435)	(1,250)
Tax on loss on ordinary activities	6	<u>-</u>	<u>-</u>
Loss for the financial year	13	<u>(4,435)</u>	<u>(1,250)</u>

All amounts above relate to continuing operations.

There are no material differences between the loss on ordinary activities before taxation and the loss for the financial year stated above and their historical cost equivalents.

The notes on pages 9 to 13 form part of these financial statements.

Moorfield Real Estate Fund II LP Limited

**Statement of total recognised gains and losses
for the year ended 31 December 2014**

	Note	2014 £000	2013 £000
Loss for the financial year		(4,435)	(1,250)
Unrealised surplus on revaluation of fixed asset investments		<u>4,432</u>	<u>1,248</u>
Total recognised gains and losses relating to the year		<u>(3)</u>	<u>(2)</u>

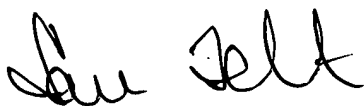
The notes on pages 9 to 13 form part of these financial statements.

Moorfield Real Estate Fund II LP Limited
Registered number: 06312640

Balance sheet
as at 31 December 2014

	Note	2014 £000	2013 £000
Fixed assets			
Investments	7	14,161	13,748
Current assets			
Cash at bank and in hand	1	-	-
Creditors: amounts falling due within one year	8	(6)	(2)
Net current liabilities		(5)	(2)
Total assets less current liabilities		14,156	13,746
Creditors: amounts falling due after more than one year	9	(14,161)	(13,748)
Net liabilities		(5)	(2)
Capital and reserves			
Called up share capital	12	-	-
Revaluation reserve	13	5,680	1,248
Profit and loss account	13	(5,685)	(1,250)
Total shareholders' deficit	14	(5)	(2)

The financial statements on pages 6 to 13 were approved by the board of directors on and signed on its behalf by



Saira Johnston
Director

The notes on pages 9 to 13 form part of these financial statements.

Moorfield Real Estate Fund II LP Limited

Notes to the financial statements for the year ended 31 December 2014

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis, under the historical cost convention as modified by the revaluation of fixed asset investments and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

1.2 Going concern

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the ultimate parent company, Curzon Street Investments Limited. The directors have received confirmation that Curzon Street Investments Limited intends to support the Company for at least 12 months from the date these financial statements are approved.

1.3 Cash flow statement

The Company has taken advantage of the exemption from preparing a cash flow statement contained in FRS 1 "Cash flow statements" on the grounds that it is a small company.

1.4 Investments

The directors have adopted the alternative accounting policy of carrying the fixed asset investments at a valuation reflecting the fair value of their assets and liabilities which approximate the book values. This treatment provides a fairer indication of the value of the investments made by the Company. Increases/decreases in value arising on the revaluation of fixed asset investments are carried to the revaluation reserve. Where a permanent diminution in value of an asset occurs, the excess will be charged to the Profit and loss account to the extent it is not covered by a revaluation surplus. Where an impairment is considered by the directors to be temporary the charge is made to the revaluation reserve.

1.5 Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

2. Operating loss

Operating loss is stated after charging:

	2014	2013
	£000	£000
Auditors' remuneration - audit fees	3	2
Auditors' remuneration - taxation	1	-
	<hr/>	<hr/>

Moorfield Real Estate Fund II LP Limited

Notes to the financial statements for the year ended 31 December 2014

3. Staff costs

The Company had no employees during the year (2013 - nil).

4. Directors' remuneration

There was no remuneration paid to the directors by the Company during the year (2013 - £nil). There were no retirement benefits accruing to the directors (2013 - £nil).

5. Interest payable and similar charges

	2014 £000	2013 £000
Other interest payable	4,432	1,248

Other interest payable relates to the return payable on the Bank of Scotland loan stock which is an amount equal to 12% per annum.

6. Tax on (loss)/profit on ordinary activities

	2014 £000	2013 £000
UK corporation tax charge on loss for the year	-	-

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2013 - higher than) the standard rate of corporation tax in the UK of 21.5% (2013 - 23.25%). The differences are explained below:

	2014 £000	2013 £000
(Loss)/profit on ordinary activities before taxation	(4,435)	(1,250)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 21.5% (2013 - 23.25%)	(954)	(291)
Effects of:		
Tax losses carried forward	954	291
Total current tax	-	-

Factors that may affect future tax charges

Further reductions to the UK corporation tax rate were announced in the Autumn 2014 Budget statement. These changes were to reduce tax rates by a further 1% to 20% from 1 April 2015.

Moorfield Real Estate Fund II LP Limited

Notes to the financial statements for the year ended 31 December 2014

7. Investments

	Unlisted investments £000
Cost	
At 1 January 2014	13,748
Distributions	(4,019)
Revaluations	4,432
	<hr/>
At 31 December 2014	14,161
	<hr/>
Net book amount	
At 31 December 2014	14,161
	<hr/>
At 31 December 2013	13,748
	<hr/>

The Company has invested in Moorfield Real Estate Fund II "B" Limited Partnership, a Limited Partnership registered in the United Kingdom which is involved in property investment.

8. Creditors: Amounts falling due within one year

	2014 £000	2013 £000
Amounts owed to group undertakings	4	-
Accruals and deferred income	2	2
	<hr/>	<hr/>
	6	2
	<hr/>	<hr/>

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

9. Creditors: Amounts falling due after more than one year

	2014 £000	2013 £000
Loan stock (note 9)	14,161	13,748
	<hr/>	<hr/>

Bank loan stock comprises debt held with Bank of Scotland which is to be redeemed at an initial redemption premium equal to a return of 12% per annum. These borrowings are secured by a charge over the shares of the Company.

Moorfield Real Estate Fund II LP Limited

**Notes to the financial statements
for the year ended 31 December 2014**

10. Loans and other borrowings

	2014 £000	2013 £000
Loan stock	14,161	13,748

Maturity of financial liabilities:

In more than two years, but not more than five years	14,161	13,748
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11. Deferred taxation

	2014 £000	2013 £000
At beginning and end of year	-	-

No deferred tax assets have been recognised. Deferred tax assets have arisen due to losses in current and previous accounting periods and would be recognised if the company was profit making.

12. Called up share capital

	2014 £000	2013 £000
Allotted and fully paid		
2 (2013 - 2) ordinary shares of £1 each	-	-

13. Reserves

	Revaluation reserve £000	Profit and loss account £000
At 1 January 2014	1,248	(1,250)
Loss for the financial year	-	(4,435)
Surplus on revaluation of leasehold property	4,432	-
At 31 December 2014	5,680	(5,685)

14. Reconciliation of movements in shareholders' (deficit)/funds

	2014 £000	2013 £000
Opening shareholders' (deficit)/funds	(2)	-
Loss for the financial year	(4,435)	(1,250)
Other recognised gains and losses during the year	4,432	1,248
Closing shareholders' deficit	(5)	(2)

Moorfield Real Estate Fund II LP Limited

**Notes to the financial statements
for the year ended 31 December 2014**

15. Related party transactions

The Company has taken advantage of the exemptions contained in FRS 8 "Related Party Disclosures" not to disclose transactions with related parties as all of the voting rights of the Company are controlled within the group.

16. Immediate and ultimate parent undertaking and ultimate controlling party

The Company's immediate and ultimate parent undertaking and ultimate controlling party, and the undertaking for which group financial statements are drawn up and of which the Company is a member is Curzon Street Investments Limited, a company incorporated in England and Wales. Copies of the group financial statements are available to the public from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.