

FAIRWIM HOLDINGS INVESTMENT LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2013

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COMPANIES HOUSE

Company No: 08008587

FAIRWIM HOLDINGS INVESTMENT LIMITED

REPORT OF THE DIRECTORS

Report of the Directors

For the year ended 31 December 2013

The directors submit their report together with the audited financial statements of Fairwim Holdings Investment Limited (“the Company”) for the year ended 31 December 2013.

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

Incorporation and activity in the period

The Company was formed on 27 March 2012 and commenced trading on this date. The Company’s UK registration number is 08008587.

Principal activities

The results for the period are set out on page 6. The principal activity of the Company is that of a holding company.

FAIRWIM HOLDINGS INVESTMENT LIMITED

REPORT OF THE DIRECTORS

Results and Dividends

The loss for the period was £1,283 (2012: £615 profit). The directors do not recommend the payment of a dividend.

Directors

The directors of the Company who were in office during the period and up to the date of signing the financial statements were as follows:

C G W Crowe (appointed 21 July 2014)
P R Dennis-Jones (appointed 21 July 2014)
W K Procter (resigned 21 July 2014)
C C McGill (resigned 21 July 2014)

Secretary

A company secretary was not appointed.

Independent auditors

BDO Limited has been appointed as the Company's independent auditors.

Registered office

Grand Buildings 1-3 Strand
Trafalgar Square
London
WC2N 5HR
United Kingdom

Registered office during accounting period

Molteno House
302 Regents Park Road
London
N3 2JX
United Kingdom

Directors Indemnity

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial period and is currently in force. The Company also purchased and maintained throughout the financial period Directors' and Officers' liability insurance in respect of itself and its Directors.

Going concern basis

The Company's total current assets exceeded its total current liabilities by £45,790 at the Balance Sheet date. The Company's total liabilities exceed its total assets by £568.

FAIRWIM HOLDINGS INVESTMENT LIMITED

REPORT OF THE DIRECTORS

Statement of directors' responsibilities

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

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:

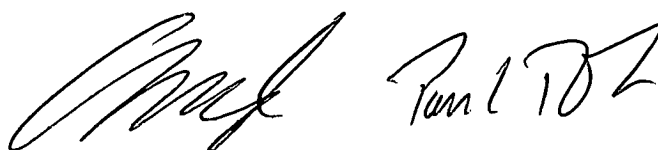
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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.

In accordance with Section 418, directors' reports shall include a statement, in the case of each director in office at the date of the directors' report is approved, that:

- (a) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware.
- (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.

Approved by the board of directors and signed by order of the board.



Director
Date:

4/11/14

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FAIRWIM HOLDINGS INVESTMENT LIMITED

We have audited the financial statements of Fairwim Holdings Investment Limited for the year ended 31 December 2013 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. 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 company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC'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 FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the report of the directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

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



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FAIRWIM HOLDINGS
INVESTMENT LIMITED (CONTINUED)**

- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime.

A handwritten signature in black ink, appearing to read 'P. Braun', with a long, horizontal flourish extending to the right.

Philip Braun (Senior Statutory Auditor)
For and on behalf of BDO Limited, statutory auditor
Jersey, Channel Islands
4 November 2014

FAIRWIM HOLDINGS INVESTMENT LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE PERIOD ENDED 31 DECEMBER 2013**

		2013	(unaudited) 2012
	Notes	£	£
Administration costs	2	(5,878)	-
Operating profit/(loss)		<u>(5,878)</u>	<u>-</u>
Interest receivable and similar income	3	7,613	615
Interest payable and similar charges	4	(3,018)	-
Profit/(loss) on ordinary activities before taxation		<u>(1,283)</u>	<u>615</u>
Tax on profit on ordinary activities	8	-	-
Profit/(loss) on ordinary activities after taxation		<u>£ (1,283)</u>	<u>£ 615</u>

The operating loss arises from continuing operations.

There is no difference between the loss on ordinary activities before taxation and the loss for the financial period as stated above and the historical cost equivalents.

The notes on pages 8 to 13 form part of these financial statements.

FAIRWIM HOLDINGS INVESTMENT LIMITED**BALANCE SHEET (Company Registration Number: 08008587)****AT 31 DECEMBER 2013**

		2013	(unaudited) 2012
	Notes	£	£
Fixed assets			
Investments	9	100	100
Current assets			
Debtors	7	49,790	257,010
Creditors: amounts falling due within one year	10	(4,000)	-
Net current assets		45,790	257,010
Total assets less current liabilities		45,890	257,110
Creditors: Amounts falling due after more than one year	10	(46,458)	(256,395)
Net (liabilities)/assets		£ (568)	£ 715
Capital and reserves			
Called up share capital	11	100	100
Revaluation reserve	12	-	-
Profit and loss account	12	(668)	615
Shareholders' funds	13	£ (568)	£ 715

The accounts are prepared in accordance with the provisions applicable to entities subject to the small entities regime under the Companies Act 2006. The financial statements on pages 6 to 13 were approved and authorised for issue by the board of directors on 2014 and were signed on its behalf by:

Director

6/11/14

The notes on pages 8 to 13 form part of these financial statements.

FAIRWIM HOLDINGS INVESTMENT LIMITED

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2013

NOTES TO THE FINANCIAL STATEMENTS

1. Principal accounting policies

Activities

Fairwim Holdings Investment Limited (the "Company") is engaged in the business of a holding company.

Going concern basis

The Company's total current assets exceeded its total current liabilities by £45,790 at the Balance Sheet date.

The company is party to a group funding structure. The directors have assessed the operation of the structure and have determined that the company has, or can expect to have, sufficient working capital for its needs for at least 12 months from the date of approval of these financial statements. In November 2013 the availability of the required loan finance, arranged in the name of a related party, was confirmed. In view of this the directors consider it appropriate for the financial statements to be prepared on a going concern basis.

On 21 July 2014 the Owner of the Company changed, resulting in a financial restructuring. Subsequently the current shareholder has agreed to provide financial support to meet its liabilities as and when they fall due, which gives the current board comfort over the going concern status of the company.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company aims to mitigate liquidity risk by managing cash generation through its operations and applying cash collection targets. The Company also manages liquidity risk via revolving credit facilities and long term debt. The Companies net current liabilities exceed its net current assets by £2,500. Funding has been guaranteed by the ultimate controlling party.

Basis of accounting

These financial statements are prepared on a going concern basis, under the historical cost convention as modified by the revaluation of 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 period, are set out below.

Cash flow statement

The Company has taken advantage of the small company exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1.

Investments

The company's investment in its subsidiary undertaking is stated at cost less provision for any impairment.

Basis of non-consolidation

The financial statements present information about the company as an individual undertaking and not about its group as the company and its subsidiary undertaking comprise a small group.

Administrative expenses

Expenses are recognised on an accruals basis.

Interest payable and similar charges

Interest payable is recognised on an accruals basis. Interest receivable is recognised on a receipts basis.

FAIRWIM HOLDINGS INVESTMENT LIMITED

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2013

NOTES TO THE FINANCIAL STATEMENTS

1. Principal accounting policies (continued)

Corporation tax

The Company is subject to UK income tax at the rate of 23%.

Current tax is provided at amounts expected to be paid (or recovered) using the United Kingdom's tax rates and laws that have been enacted, or substantively enacted, by the balance sheet date.

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. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements.

No provision is made for deferred tax on unrealised gains recognised on revaluing property to its market value.

Deferred tax is measured at the tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted by the balance sheet date. An asset is not recognised to the extent that the transfer of economic benefits in future is uncertain. Deferred tax is measured on a non-discounted basis.

Debtors

Debtors are stated at cost less any provision for doubtful debts.

Deferred income

Deferred income relates to rent billed in advance. Rental income is recognised or released in the profit and loss account in the period in which the rental income becomes due.

FAIRWIM HOLDINGS INVESTMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2013

2. Administrative expenses

	2013	(unaudited) 2012
	£	£
Audit	(4,000)	-
Professional fees	(1,878)	-
	<u>£ (5,878)</u>	<u>£ -</u>

3. Interest receivable and similar income

	2013	(unaudited) 2012
	£	£
Interest on subsidiary undertaking loan	-	615
Interest on controlling party loan	7,613	-
	<u>£ 7,613</u>	<u>£ 615</u>

4. Interest payable and similar charges

	2013	(unaudited) 2012
	£	£
Interest on parent company loan	£ 3,018	£ -

5. Profit on ordinary activities before taxation

	2013	(unaudited) 2012
	£	£
The profit on ordinary activities before taxation is stated after charging:		
Auditors' remuneration	4,000	-

6. Employees and directors

Other than the directors, who received no remuneration, no persons were employed during the year.

7. Debtors

	2013	(unaudited) 2012
	£	£
Amounts due from related party (Note 16)	49,790	255,510
Sundry Debtor	-	1,500
	<u>£ 49,790</u>	<u>£ 257,010</u>

FAIRWIM HOLDINGS INVESTMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2013

8. Taxation

	2013	(unaudited) 2012
	£	£
Current tax:		
UK corporation tax on (losses)/profits of the year	-	-
Total current tax	£ -	£ -
Factors affecting tax charge for the year:		
(Loss)/profit on ordinary activities before tax	(1,283)	615
(Loss)/profit on ordinary activities multiplied by the standard rate of Corporation tax in the UK of 23% (2012: 24%)	(295)	148
Effects of:		
Group relief surrendered without charge	295	-
Losses carried forward	-	-
Total current tax	£ -	£ -

The company has estimated losses of £Nil available to carry forward against future profits. No provision has been made for the deferred tax asset arising on these losses due to the uncertainty of recovery.

9. Fixed Asset Investments

	Shares in subsidiary undertakings £
Cost	
As at 1 st January 2013 (unaudited) and 31 December 2013	£ 100

The company holds a 100% interest in the ordinary share capital of the following companies:

Name	Nature of business
Fairwim Properties No.1 Limited	Property investment

The subsidiary company is incorporated in, and has its place of business in, England.

The aggregate amount of capital and reserves and the results of these undertaking for the period ended 31 December 2013 were as follows:

	Capital and reserves £	Loss for the year £
Fairwim Properties No.1 Limited	£ 1,556,024	£ 68,041

FAIRWIM HOLDINGS INVESTMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2013

10. Creditors:	2013	(unaudited) 2012
	£	£
Amounts falling due after more than one year		
Amounts due to Subsidiary Undertaking	46,458	256,395
Amounts falling due within one year		
Accruals and deferred income	4,000	-
	<u>£ 50,458</u>	<u>£ 256,395</u>

The amounts owed to subsidiary undertakings are unsecured and have no specific repayment date. Despite the loans being repayable on demand it is not the intention for the loans to be repaid within one year and they have therefore been treated as due after more than one year. Interest is charged on the loans at LIBOR + 1%.

11. Share capital	2013	2012
	£	£
Equity:		
Allotted, issued and fully paid:		
100 ordinary shares of £1 each	£ 100	£ 100

12. Reserves and reconciliation of movements in shareholders' funds

	Profit and loss account £	Share capital £	Total shareholders' funds £
Balance as at 1 January 2013 (unaudited)	615	100	715
Loss for the period	(1,283)	-	(1,283)
Balance as at 31 December 2013	(668)	100	(568)

13. Reconciliation of movements in Shareholders' funds

	As at 31 December 2013 £
Loss for the financial period	(1,283)
Unrealised gain on revaluation of investment properties	-
Net decrease in equity shareholders' funds	(1,283)
Opening shareholders' funds	715
Closing shareholders' funds	(568)

FAIRWIM HOLDINGS INVESTMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2013

14. Immediate and ultimate holding company

The directors regard the ultimate holding company to be Augustus Investment Holdings Limited, a company incorporated in the British Virgin Islands. On 21 July 2014 the immediate parent company changed to John Lewis Partnership Pensions Trust.

15. Ultimate controlling party

The ultimate controlling party is the VT One Property Trust, resulting from its ability to receive all the economic benefit from the investment properties, and also its ability to control the financial and operating activities of the Company. On 21 July 2014 the ultimate controlling party changed to John Lewis Partnership Pensions Trust.

16. Related party transactions

The company has taken advantage of the exemptions provided by Financial Reporting Standard Number 8 'Related Party Disclosures' and has not disclosed transactions entered into between two or more members of a group, provided that any subsidiary undertaking which is party to the transaction is wholly owned by a member of that group.

At 31 December 2013 the company was owed £49,790 (2012: £255,510) from its controlling party. Interest of £7,613 was charged during the year (2012: Nil). Interest is charged on the loan at 4%.

17. Subsequent event note

On 21 July 2014, John Lewis Partnership Pensions Trust acquired 100% of the Company. This resulted in a change of directors and restructuring, which will be reflected in the 2014 financial statements of the Company.

FAIRWIM HOLDINGS INVESTMENT LIMITED**DETAILED PROFIT AND LOSS ACCOUNT (UNAUDITED)****FOR THE PERIOD ENDED 31 DECEMBER 2013**

	2013	2012
	£	£
Administration costs		
Audit	(4,000)	-
Professional fees	(1,878)	
	<u>(5,878)</u>	<u>-</u>
 Interest receivable and similar income		
Interest on Subsidiary company loan	-	615
Interest on controlling party loan	7,613	
	<u>7,613</u>	<u>615</u>
 Interest payable and similar charges		
Interest on parent company loan	(3,018)	-
	<u></u>	<u></u>
 Net profit/(loss) for the period	<u><u>£ (1,283)</u></u>	<u><u>£ 615</u></u>

This page does not form part of the statutory financial statements.