


**SALISBURY SQUARE LLP**

**REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2015**

**Registered number: OC 392537**

FRIDAY



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COMPANIES HOUSE

## **DESIGNATED MEMBERS**

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### **DESIGNATED MEMBERS**

Cheyne Real Estate Credit Holdings Fund, LP  
Cheyne Real Estate Credit Holdings Fund II LP  
Cheyne Real Estate Credit Holdings Fund III LP  
Greycoat SS Capital LLP

### **REGISTERED OFFICE**

11 Charles II Street  
London  
SW1Y 4QU

# **SALISBURY SQUARE LLP**

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**SALISBURY SQUARE LLP**

**DESIGNATED MEMBERS' REPORT**

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The designated members submit their report and the financial statements of Salisbury Square LLP ("the Partnership") and its subsidiaries (together "the Group") for the year ended 31 December 2015.

**Principal activities**

The principal activity of the Partnership is that of its investment, via its subsidiaries, in Salisbury Square House, 8 Salisbury Square, London, EC4.

**Designated members**

The following designated members have held office since 1 January 2015:

Cheyne Real Estate Credit Holdings Fund, LP  
Cheyne Real Estate Credit Holdings Fund II LP  
Cheyne Real Estate Credit Holdings Fund III LP  
Greycoat SS Capital LLP

**Policy with respect to designated members' drawings and subscription and repayment of members' capital**

Designated members' drawings, subscriptions and repayment of capital are set out in the Limited Liability Partnership Agreement dated 16 April 2014. Further details are disclosed in note 11 to the financial statements.

**Auditor**

RSM UK Audit LLP has indicated its willingness to continue in office.



.....on behalf of

Greycoat SS Capital LLP  
Designated Member

**PAUL JOHNSTON DIRECTOR**

28. September 2016

## **SALISBURY SQUARE LLP**

### **STATEMENT OF MEMBERS' RESPONSIBILITIES**

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The members are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 ("the 2008 Regulations") requires the members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under the 2008 Regulations, 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 Partnership and of the profit or loss of the Group for that period. In preparing those financial statements, the members are required to:

- a) Select suitable accounting policies and then apply them consistently;
- b) Make judgements and accounting estimates that are reasonable and prudent;
- c) Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Partnership will continue in business.

Under the 2008 Regulations the members are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Partnership and enable them to ensure that the financial statements comply with those Regulations. They are also responsible for safeguarding the assets of the Group and the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

These responsibilities are exercised by the designated members on behalf of the members.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SALISBURY SQUARE LLP

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We have audited the group and parent limited liability partnership's financial statements on pages 4 to 13. 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) including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the Limited Liability Partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the Limited Liability Partnership'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 Limited Liability Partnership and the Limited Liability Partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of members and auditor

As more fully explained in the Members' Responsibilities Statement set out on page 2, the members 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 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 Financial Reporting Council's website at [www.frc.org.uk/auditscopeprivate](http://www.frc.org.uk/auditscopeprivate).

### Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent limited liability partnership's affairs as at 31 December 2015 and of the group's 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 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

### 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 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 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 parent limited liability partnership's financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit; or
- the members were not entitled to prepare the financial statements in accordance with the small limited liability partnerships' regime.

RSM UK Audit LLP

**RICHARD COATES** (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP (formerly BAKER TILLY UK AUDIT LLP), Statutory Auditor

Chartered Accountants

25 Farringdon Street

London EC4A 4AB

28 September 2016

**SALISBURY SQUARE LLP****CONSOLIDATED INCOME STATEMENT****FOR THE YEAR ENDED 31 DECEMBER 2015**

	Notes	Year ended 31 December 2015 £	Period from 7 April 2014 to 31 December 2014 £
<b>Turnover</b>	1	<b>1,374,702</b>	175,088
Property outgoings		(428,272)	(150,583)
<b>Gross profit</b>		<b>946,430</b>	24,505
Administrative expenses		(98,769)	(88,137)
Operating profit/(loss)		<b>847,661</b>	(63,632)
Interest receivable		4,481	1,141
Interest payable and similar charges	4	(2,586,100)	-
<b>Loss for the financial period before members' remuneration and profit share</b>		<b>(1,733,958)</b>	(62,491)
Interest payable on members' loans	5	(2,595,708)	(207,039)
<b>Loss for the financial period available for discretionary division among members</b>		<b>(4,329,666)</b>	(269,530)

# SALISBURY SQUARE LLP

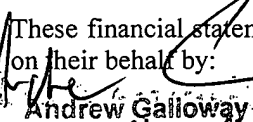
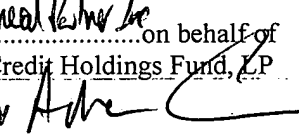
## CONSOLIDATED BALANCE SHEET

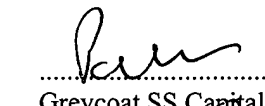
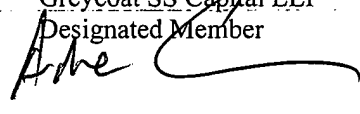
AS AT 31 DECEMBER 2015

	Notes	31 December 2015 £	31 December 2014 £
<b>Fixed assets</b>			
Investment property	6	77,182,206	70,344,615
<b>Current assets</b>			
Debtors	8	188,568	4,052,927
Cash at bank and in hand		68,285	193,468
		<u>256,853</u>	<u>4,246,395</u>
<b>Creditors: amounts falling due within one year</b>	9	(2,160,297)	(3,974,985)
<b>Net current (liabilities)/assets</b>		<u>(1,903,444)</u>	<u>271,410</u>
<b>Total assets less current liabilities</b>		<u>75,278,762</u>	<u>-</u>
<b>Creditors: amounts falling due after more than one year</b>	10	(42,076,766)	-
<b>Net assets attributable to members</b>		<u>33,201,996</u>	<u>70,616,025</u>
<b>Represented by:</b>			
<b>Loans and other debts due to members</b>			
Loans		37,801,092	70,885,455
<b>Members' other interests</b>			
Members' capital		100	100
Other reserves		(4,599,196)	(269,530)
<b>Total members' interests</b>		<u>33,201,996</u>	<u>70,616,025</u>

These financial statements have been prepared in accordance with the special provisions of the Companies Act 2006 (as applied by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) applicable to limited liability partnerships subject to the small limited liability partnerships regime.

These financial statements were approved by the members and authorised for issue on 28 September 2016 and signed on their behalf by:

  
 Andrew Galloway  
 Director, Cheyne Real Estate Credit Holdings Fund, LP  
 Designated Member  
  
 Andrew Galloway  
 Director, Cheyne Real Estate Credit Holdings Fund II, LP  
 Designated Member

  
 Paul Johnston  
 Designated Member  
 on behalf of  
 Greycoat SS Capital LLP  
 Designated Member  
  
 Andrew Galloway  
 Director, Cheyne Real Estate Credit Holdings Fund III, LP  
 Designated Member

**SALISBURY SQUARE LLP**

Registered number: OC 392537

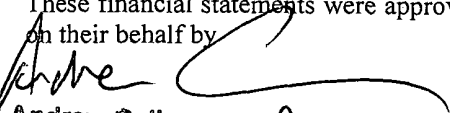
**PARTNERSHIP BALANCE SHEET**


**AS AT 31 DECEMBER 2015**

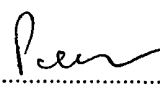
	Notes	31 December 2015 £	31 December 2014 £
<b>Fixed assets</b>			
Investments in subsidiaries	7	37,801,192	71,570,709
<b>Current assets</b>			
Debtors	8	-	2,641,425
Creditors: amounts falling due within one year	9	(36,417)	(3,566,875)
<b>Net current liabilities</b>		<b>(36,417)</b>	<b>(925,450)</b>
<b>Net assets attributable to members</b>		<b>37,764,775</b>	<b>70,645,259</b>
<b>Represented by:</b>			
<b>Loans and other debts due to members</b>			
Loans		37,801,092	70,885,455
<b>Members other interests</b>			
Members' capital		100	100
Other reserves		(36,417)	(240,296)
<b>Total members' interests</b>		<b>37,764,775</b>	<b>70,645,259</b>

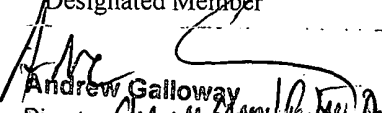
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These financial statements were approved by the members and authorised for issue on 28 September 2016 and signed on their behalf by

  
 Andrew Galloway  
 Director, Cheyne General Partner Inc. on behalf of  
 Cheyne Real Estate Credit Holdings Fund, LP  
 Designated Member

  
 Andrew Galloway  
 Director, Cheyne General Partner Inc. on behalf of  
 Cheyne Real Estate Credit Holdings Fund II, LP  
 Fund III, LP  
 Designated Member

  
 .....on behalf of  
 Greycoat SS Capital LLP  
 Designated Member **PAUL JOHNSTON DIRECTOR**

  
 Andrew Galloway  
 Director, Cheyne General Partner Inc. on behalf of  
 Cheyne Real Estate Credit Holdings Fund Holdings  
 Designated Member

# SALISBURY SQUARE LLP

## RECONCILIATION OF MEMBERS' INTERESTS

FOR THE YEAR ENDED 31 DECEMBER 2015

### Group

	Members' capital £	Other reserves £	Total equity £	Loans and other debts due to members £	Total members' interests £
Introduced in the period:					
Capital	100	-	100	-	100
Mezzanine loans	-	-	-	56,542,756	56,542,756
Members' loans	-	-	-	14,342,699	14,342,699
Loss for the period	-	(269,530)	(269,530)	-	(269,530)
At 31 December 2014	100	(269,530)	(269,430)	70,885,455	70,616,025
Repayment of Mezzanine loan	-	-	-	(42,500,000)	(42,500,000)
Mezzanine loans	-	-	-	8,258,748	8,258,748
Members' loans	-	-	-	1,156,889	1,156,889
Loss for the year	-	(4,329,666)	(4,329,666)	-	(4,329,666)
At 31 December 2015	100	(4,599,196)	(4,599,096)	37,801,092	33,201,996

### Partnership

	Members' capital £	Other reserves £	Total equity £	Loans and other debts due to members £	Total members' interests £
Introduced in the period:					
Capital	100	-	100	-	100
Mezzanine loans	-	-	-	56,542,756	56,542,756
Members' loans	-	-	-	14,342,699	14,342,699
Loss for the period	-	(240,296)	(240,296)	-	(240,296)
At 31 December 2014	100	(240,296)	(240,196)	70,885,455	70,645,259
Repayment of Mezzanine loan	-	-	-	(42,500,000)	(42,500,000)
Mezzanine loan	-	-	-	8,258,748	8,258,748
Members' loans	-	-	-	1,156,889	1,156,889
Profit for the year	-	203,879	203,879	-	203,879
At 31 December 2015	100	(36,417)	(36,317)	37,801,092	37,764,775

## **SALISBURY SQUARE LLP**

### **ACCOUNTING POLICIES**

#### **FOR THE YEAR ENDED 31 DECEMBER 2015**

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##### **General Information**

Salisbury Square LLP ("the Partnership") was established and registered on 7 April 2014 as a limited liability partnership. The registered office of Salisbury Square LLP is 11 Charles II Street, London, SW1Y 4QU. The principal activity of the Partnership and its subsidiaries (together "the Group") is investment and development of property.

##### **Basis of Accounting**

The financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" published July 2014 ("SORP"), the requirements of the Companies Act 2006 as applicable to limited liability partnerships subject to the small limited liability partnerships regime and under the historical cost convention, modified to include investment properties and certain financial instruments at fair value. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the Partnership. Monetary amounts in these financial statements are rounded to the nearest £.

##### **First time adoption of FRS 102**

These financial statements are the first financial statements of the Partnership prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) as applied to smaller entities by the adoption of Section 1A of FRS 102. The Partnership's financial statements for the year ended 31 December 2014 were prepared in accordance with previous UK GAAP.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently the members have amended certain accounting policies to comply with FRS 102.

The effect of the transition to FRS 102 has had no material impact on;

- (i) the equity at the date of transition to FRS 102;
- (ii) the equity at the end of the comparative period;
- (iii) the profit or loss for the comparative period reported under previous UK GAAP.

##### **Basis of Consolidation**

The consolidated financial statements incorporate the financial statements of the Partnership and its subsidiary undertakings for the year.

The Partnership has taken advantage of the exemptions from presenting its own profit and loss account under section 408 of the Companies Act 2006. The Partnership profit for the year was £203,879 (2014: loss of £240,296).

##### **Going Concern**

The Group's main asset is its investment property, Salisbury Square House, which is held in a subsidiary undertaking, Salisbury Square Unit Trust. The acquisition of the property was financed by members' loans and was partly refinanced following the year end with a bank loan investment facility which includes both a loan to value covenant and an interest cover covenant and has a term to 2019.

The members have, after careful consideration of the matters set out above and the Group's and the Partnership's projected cash flows for the period to 30 September 2017, concluded that they expect the Group and the Partnership will be able to pay its liabilities as they fall due for this period. Consequently they have concluded that it is appropriate to adopt the going concern basis for the preparation of these financial statements.

## **SALISBURY SQUARE LLP**

### **ACCOUNTING POLICIES**

#### **FOR THE YEAR ENDED 31 DECEMBER 2015**

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##### **Investment Properties**

Investment properties are initially measured at cost and subsequently measured at fair value. Changes in fair value are recognised in profit and loss.

##### **Investments in Subsidiaries**

Investments in subsidiaries are stated at cost less provision for any impairment in value.

##### **Recognition of Income**

Turnover comprises rental income for the period, net of VAT.

##### **Finance Costs**

The costs relating to the obtaining of loan finance are amortised through profit and loss at a constant yearly rate. The loan is included in the balance sheet at the amount received from the lender less unamortised costs and any repayments.

##### **Deferred Taxation**

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation in periods different from those in which they are included in the accounts. Deferred tax is not provided on timing differences arising from the revaluation of tangible fixed assets where there is no commitment to sell the asset. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

##### **Operating Leases**

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to profit and loss on a straight line basis over the lease term. Rent free periods or other incentives received for entering into a lease are accounted for over the period of the lease to the first rent review.

##### **Financial instruments**

Financial assets and financial liabilities are recognised when the Partnership becomes a party to the contractual provisions of the instrument, and are offset only when the Partnership currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The Partnership has applied the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments with the exception of the interest rate swap, which is stated at fair value.

The Partnership's financial assets are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method. Except for the interest rate swap, the Partnership's financial liabilities are initially measured at transaction price and are subsequently carried at amortised cost.

# **SALISBURY SQUARE LLP**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 DECEMBER 2015**

#### **1 Turnover**

The Group's turnover is derived from its principal activity. All turnover is derived from the United Kingdom based property.

#### **2 Auditor's remuneration and employee numbers**

Auditor's remuneration for the audit of the Group's financial statements was £17,500 (2014: £15,000).

There were no employees during the year (2014: none).

#### **3 Members' remuneration**

	<b>Year ended 31 December 2015 Number</b>	<b>Period ended 31 December 2014 Number</b>
Average number of members	<b>4</b>	<b>4</b>
	<b>£</b>	<b>£</b>
Profit attributable to members	<b>-</b>	<b>-</b>

#### **4 Interest payable and similar charges**

	<b>Year ended 31 December 2015 £</b>	<b>Period ended 31 December 2014 £</b>
Bank loan interest payable	<b>1,952,496</b>	<b>-</b>
Loan arrangement fees	<b>250,388</b>	<b>-</b>
Other financing costs	<b>31,277</b>	<b>-</b>
Fair value loss on derivative financial instrument	<b>351,939</b>	<b>-</b>
	<b>2,586,100</b>	<b>-</b>

#### **5 Interest payable on members' loans**

	<b>Year ended 31 December 2015 £</b>	<b>Period ended 31 December 2014 £</b>
Interest on members' mezzanine loans	<b>2,595,708</b>	<b>207,039</b>

# SALISBURY SQUARE LLP

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2015

<b>6</b>	<b>Investment property</b>	
	<b>Group</b>	<b>Freehold Investment Property £</b>
	At cost and valuation	
	At 1 January 2015	70,344,615
	Additions	6,837,591
	At 31 December 2015	<u>77,182,206</u>

Investment property was valued internally by the members as at 31 December 2015. The valuation is based on open market value assessed with reference to the valuation placed on the property on acquisition on 18 December 2014 together with the associated costs of acquisition. The members consider this to be a fair reflection of the open market value of the property as at 31 December 2015.

The investment property has been pledged as collateral for the bank loan advanced to Salisbury Square Unit Trust.

<b>7</b>	<b>Investment in Subsidiaries</b>			
	<b>Partnership</b>	<b>Shares in subsidiaries £</b>	<b>Loans to subsidiaries £</b>	<b>Total £</b>
	<b>Cost</b>			
	As at 1 January 2015	2	71,570,707	71,570,709
	Additions	-	8,730,483	8,730,483
	Repayment	-	(42,500,000)	(42,500,000)
	At 31 December 2015	<u>2</u>	<u>37,801,190</u>	<u>37,801,192</u>

As at 31 December 2015, the Partnership held an interest in the following entities which have been consolidated in these financial statements.

	<b>Directly held</b>	<b>Indirectly held</b>	<b>Nature of Business</b>
<b>Limited Liability Companies</b>			
Salisbury Unitholder 1 Limited	100%		Investment holding
Salisbury Unitholder 2 Limited	100%		Investment holding
<b>Unit Trust</b>			
Salisbury Square Unit Trust		100%	Property investment

The loans to subsidiaries were advanced to enable the subsidiaries to subscribe for the units in Salisbury Square Unit Trust.

# SALISBURY SQUARE LLP

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2015

#### 8 Debtors

	Group 31 December 2015 £	Partnership 31 December 2015 £	Group 31 December 2014 £	Partnership 31 December 2014 £
Due within one year:				
Other debtors	188,488	-	1,502	-
Cash held in agents and lawyers client bank account	80	-	4,051,425	2,641,425
	<u>188,568</u>	<u>-</u>	<u>4,052,927</u>	<u>2,641,425</u>

#### 9 Creditors: Amounts falling due within one year

	Group 31 December 2015 £	Partnership 31 December 2015 £	Group 31 December 2014 £	Partnership 31 December 2014 £
Trade creditors	1,360,815	-	2,839,862	-
Derivative financial instrument	351,939	-	-	-
Other tax and social security	-	-	37,365	-
Amounts due to subsidiary undertakings	-	36,417	-	3,559,975
Accruals and deferred income	447,543	-	1,097,758	6,900
	<u>2,160,297</u>	<u>36,417</u>	<u>3,974,985</u>	<u>3,566,875</u>

Salisbury Square Unit Trust entered into an interest rate swap with a notional amount of £42,900,000 on 10 February 2015 with Deutsche Bank AG, London Branch whereby the Unit Trust pays a fixed quarterly payment in return for a floating quarterly receipt. The swap was entered into to hedge the interest rate risk of the floating rate loans and matures on 10 February 2019. The estimated fair value of the interest rate swap at 31 December 2015 is £351,939 liability position.

## SALISBURY SQUARE LLP

### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED 31 DECEMBER 2015

#### 10 Creditors: Amounts falling due after more than one year

	Group 31 December 2015 £	Partnership 31 December 2015 £	Group 31 December 2014 £	Partnership 31 December 2014 £
Bank loan	42,900,000	-	-	-
Unamortised loan transaction costs	(823,324)	-	-	-
	<u>42,076,766</u>	<u>-</u>	<u>-</u>	<u>-</u>

On 10 February 2015 the Joint Trustees of Salisbury Square Unit Trust entered into a facility agreement on their behalf with Deutsche Bank AG, London Branch as lender under which the lender would make available a loan facility of up to £47,400,000, bearing interest on the drawdown amount at 3 month LIBOR plus a margin of 3.6% per annum. The facility consists of a sterling term loan facility in an aggregate amount of £42,900,000 ("Facility A") and a sterling term loan facility in an aggregate amount of £4,500,000 ("Facility B").

#### 11 Members' interests

The members' capital and loans are subordinated to the Mezzanine loan. The Mezzanine loan is repayable in accordance with the Partnership Agreement. The Mezzanine loan holder is entitled to interest at a rate of 11.25% per annum.

In accordance with UK GAAP, the Mezzanine and Members' loans are all classified as debt and consequently the interest accruing on the Mezzanine loan and any priority return on the Members' loans are accounted for as an accrued interest expense in the income statement (see note 5).

Loans and other debts due to members rank pari passu with unsecured creditors in the event of a winding up.

In accordance with UK GAAP, the members' capital accounts are classified as equity and apportioned between the four members being Cheyne Real Estate Credit Holdings Fund LP (£50), Cheyne Real Estate Credit Holdings Fund II LP, (£17), Cheyne Real Estate Credit Holdings Funds III LP (£7) and Greycoat SS Capital LLP (£26).

#### 12 Transactions with Related Parties

During the year, the Group accrued management fees amounting to £372,002 (2014: £150,600) from Greycoat SS AM LLP, a fellow subsidiary with Greycoat SS Capital LLP of Greycoat Real Estate LLP. Greycoat SS Capital LLP is a designated member of the Partnership. There were no amounts outstanding in respect of this accrual at the date of these financial statements.

#### 13 Controlling party

There is no controlling party of the Partnership.