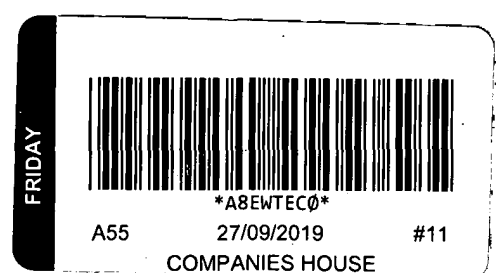


Directors' Report and
Financial Statements for the Year Ended 31 December 2018
for
Newco (First Street) 2 Limited



Newco (First Street) 2 Limited

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for the Year Ended 31 December 2018**

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Newco (First Street) 2 Limited

Company Information
for the Year Ended 31 December 2018

Directors:

P J Windsor
W J Patterson

Registered office:

8 Sackville Street
London
W1S 3DG

Registered number:

10304085 (England and Wales)

Independent auditor:

Ernst & Young LLP, Statutory Auditor
2 St Peter's Square
Manchester
M2 3EY

Newco (First Street) 2 Limited

Directors' Report **for the Year Ended 31 December 2018**

The directors present their report with the financial statements of the Company for the year ended 31 December 2018.

In accordance with section 414B of the Companies Act 2006, the Company has taken advantage of the small companies' exemption in relation to the strategic report.

At 31 December 2018 the Company was a wholly owned subsidiary of Vita Ventures Limited, which was a wholly owned subsidiary of Select Property Group (Holdings) Limited. On 14 August 2019, the Company was acquired by Swift Newco B Limited. Swift Newco B Limited is part of a joint venture agreement between DWS Grundbesitz GmbH (76.3%) and DWS Alternatives GmbH (23.7%).

Newco (First Street) 2 Limited is based in England, and is a private company, limited by shares.

Principal activity

The principal activity of the Company in the year under review was that of a holding company. The Directors do not expect the principal activity to change in the foreseeable future.

Dividends

No dividends will be distributed for the period ended 31 December 2018.

Events since the end of the year

Information relating to events since the end of the year is given in the notes to the financial statements.

Directors

P J Windsor and W J Patterson were appointed as directors after 31 December 2018 but prior to the date of this report.

M C Dawson , G P Beswick , M K Slater and M D Stott ceased to be directors after 31 December 2018 but prior to the date of this report.

Political donations and expenditure

The Company made no political donation during the period.

Third party indemnity provision

During the period and up to the date of this report there has been no qualifying third party provision in place for the benefit of any of the Directors.

Statement as to disclosure of information to auditors

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditor is unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.


Newco (First Street) 2 Limited

Directors' Report
for the Year Ended 31 December 2018

Auditor

The auditors, Ernst & Young LLP, Statutory Auditor, will be proposed for re-appointment at the forthcoming Annual General Meeting.

By order of the board:


.....
W J Patterson - Director

Date: 26/9/19
.....

Newco (First Street) 2 Limited

Statement of Directors' Responsibilities **for the Year Ended 31 December 2018**

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 elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union. 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 year. 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 international financial reporting standards as adopted by the European Union 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.

Independent Auditor's Report to the Members of
Newco (First Street) 2 Limited

Opinion

We have audited the financial statements of Newco (First Street) 2 Limited (the 'Company') for the year ended 31 December 2018 which comprise the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and Notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2018 and of its loss for the period then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Directors' Report and the Statement of Directors' Responsibilities, but does not include the financial statements and our Auditor's report thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Independent Auditor's Report to the Members of
Newco (First Street) 2 Limited**

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have identified no material misstatements in the Directors' Report. 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
- 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.
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

Responsibilities of directors

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, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

Independent Auditor's Report to the Members of
Newco (First Street) 2 Limited

Use of our report

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.

Ernst & Young LLP

Tehseen Ali (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
2 St Peter's Square
Manchester
M2 3EY

Date:27/9/19.....

Newco (First Street) 2 Limited

Statement of Profit or Loss and Other Comprehensive Income
for the Year Ended 31 December 2018

		Year ended	Period
		31/12/18	29/7/16
	Notes	£'000	to
			31/12/17
			£'000
Continuing operations			
Revenue		-	-
Administrative expenses		(3)	(3)
Operating loss		(3)	(3)
Finance costs	3	(1,476)	(1,971)
Finance income	3	1,476	1,971
Loss before income tax	4	(3)	(3)
Income tax	5	-	-
Loss for the year		(3)	(3)
Other comprehensive income		-	-
Total comprehensive loss for the year		(3)	(3)

Newco (First Street) 2 Limited (Registered number: 10304085)

Statement of Financial Position
31 December 2018

	Notes	2018 £'000	2017 £'000
Assets			
Non-current assets			
Investments	6	30	30
Trade and other receivables	7	10,972	11,616
		<u>11,002</u>	<u>11,646</u>
Total assets		<u>11,002</u>	<u>11,646</u>
Equity			
Shareholders' equity			
Called up share capital	8	-	-
Retained earnings	9	(6)	(3)
Total equity		<u>(6)</u>	<u>(3)</u>
Liabilities			
Non-current liabilities			
Trade and other payables	10	11,005	11,646
Current liabilities			
Trade and other payables	10	3	3
Total liabilities		<u>11,008</u>	<u>11,649</u>
Total equity and liabilities		<u>11,002</u>	<u>11,646</u>

The financial statements were approved by the Board of Directors on 26/9/19 and were signed on its behalf by:

W J Patterson
W J Patterson - Director

Newco (First Street) 2 Limited

Statement of Changes in Equity
for the Year Ended 31 December 2018

	Called up share capital £'000	Retained earnings £'000	Total equity £'000
Changes in equity			
Total comprehensive loss	-	(3)	(3)
Balance at 31 December 2017	-	(3)	(3)
Changes in equity			
Total comprehensive loss	-	(3)	(3)
Balance at 31 December 2018	-	(6)	(6)

Newco (First Street) 2 Limited

Statement of Cash Flows
for the Year Ended 31 December 2018

		Year ended 31/12/18 £'000	Period 29/7/16 to 31/12/17 £'000
	Notes		
Cash flows from operating activities			
Cash generated from operations	15	-	30
		<hr/>	<hr/>
Net cash from operating activities		-	30
		<hr/>	<hr/>
Cash flows from investing activities			
Purchase of fixed asset investments		-	(30)
		<hr/>	<hr/>
Net cash from investing activities		-	(30)
		<hr/>	<hr/>
Cash flows from financing activities			
Interest paid		(1,338)	-
Interest received		1,338	-
		<hr/>	<hr/>
Net cash from financing activities		-	-
		<hr/>	<hr/>
Increase in cash and cash equivalents		-	-
Cash and cash equivalents at beginning of year		-	-
		<hr/>	<hr/>
Cash and cash equivalents at end of year		-	-
		<hr/>	<hr/>

The notes on pages 12 to 23 form part of these financial statements

Newco (First Street) 2 Limited

Notes to the Financial Statements **for the Year Ended 31 December 2018**

1. Accounting policies

Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards and IFRIC interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention.

The Company is incorporated and domiciled in the UK.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Going concern

The Directors' have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the Company to continue as a going concern.

The Directors' therefore have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

The Company had net liabilities of £6k at 31 December 2018 (2017: £3k). The Directors have received a letter of support from the ultimate parent company that it will continue to support the Company for a period of at least 12 months from the date of approval of the financial statements.

Basis of measurement

The financial statements have been prepared on the historical cost basis unless otherwise stated in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of IAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

Functional and presentational currency

The Company's financial statements are presented in Sterling, which is the Company's functional currency.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2018

1. Accounting policies - continued

Accounting Standards Update

A number of updates to standards or interpretations were in issue as at 31 December 2018.

The following new or amended standards and interpretations, are effective for the first time for the period ended 31 December 2018 and have been applied in preparing these financial statements. The adoption of these standards and interpretations has not had a material effect on the financial statements of the Company.

Change in Standard or Interpretation	Effective date *
IFRS 9 Financial Instruments: Classification and Measurement	01-Jan-18
IFRS 15 Revenue from Contracts with Customers	01-Jan-18

The following new or amended standards and interpretations, are not yet effective for the period ended 31 December 2018 and have not been applied in preparing these financial statements. The Directors do not anticipate that the adoption of these standards and interpretations will have a material impact on the financial statements of the Company in the period of initial application.

Change in Standard or Interpretation	Effective date *
IFRS 16 Leases	01-Jan-19
IAS 19 amendments	01-Jan-19
IFRS 9 amendments	01-Jan-19
IAS 28 amendments	01-Jan-19
2015-2017 annual improvements cycle	01-Jan-19

*Effective for annual periods beginning on or after this date

The Directors do not anticipate that the adoption of these standards will have a material impact on the financial statements of the Company in the period of initial application.

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Use of estimates and judgements

The preparation of financial statements requires management to exercise judgement in applying the Company's accounting policies. There are no significant estimates or assumptions used in preparing these financial statements.

Reclassification of prior year presentation

Intercompany receivables and payables presented in the prior year Statement of Financial Position have been reclassified for consistency with the current year presentation. These reclassifications had no effect on the reported results of operations.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2018

1. Accounting policies - continued

Financial Instruments

Financial assets (including Other Receivables)

Financial assets are recognised at amortised cost. The impairment of these assets, including trade and other receivables is calculated using expected lifetime credit losses. Lifetime credit losses are a probability-weighted estimate of the present value of all cash shortfalls that may arise from all possible default events over the life of a financial asset. Expected credit losses are discounted at the effective interest rate of the financial asset.

Financial Liabilities (including Other Payables, and Borrowings)

Financial liabilities (including Trade and Other Payables, and Borrowings) are measured at amortised cost, using the effective interest rate method where applicable.

Taxation

Tax on the profit or loss for the period comprises current and deferred tax. Tax is recognised in the statement of comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the statement of financial position date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Borrowing Costs

All borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2. Employees and directors

There were no staff costs for the year ended 31 December 2018 nor for the period ended 31 December 2017.

The company had no employees during the current or prior year.

	Year ended 31/12/18 £	Period 29/7/16 to 31/12/17 £
Directors' remuneration	-	-

The Directors received emoluments and accrued pension benefits from Select Property Group Limited and Vita Ventures Limited (fellow subsidiaries of the Group headed by Select Property Group (Holdings) Limited), for services rendered to all Group companies.

Newco (First Street) 2 Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2018

3. Net finance costs

	Year ended 31/12/18 £'000	Period 29/7/16 to 31/12/17 £'000
Finance income:		
Other interest income	<u>1,476</u>	<u>1,971</u>
Finance costs:		
Loan interest	<u>1,476</u>	<u>1,971</u>
	<u> </u>	<u> </u>
		£'000
Finance income:		
Other interest income		<u>1,476</u>
Finance costs:		
Loan interest		<u>1,476</u>

4. Loss before income tax

The loss before income tax is stated after charging:

	Year ended 31/12/18 £'000	Period 29/7/16 to 31/12/17 £'000
Audit fees	<u>2</u>	<u>2</u>

There were no non-audit services, performed by the Auditor, incurred by the entity in the current or prior year.

5. Income tax

Analysis of tax expense

No liability to UK corporation tax arose for the year ended 31 December 2018 nor for the period ended 31 December 2017.

Newco (First Street) 2 Limited

Notes to the Financial Statements - continued **for the Year Ended 31 December 2018**

5. Income tax - continued

Factors affecting the tax expense

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	Year ended 31/12/18 £'000	Period 29/7/16 to 31/12/17 £'000
Loss before income tax	<u>(3)</u>	<u>(3)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2017 - 19.440%)	(1)	(1)
Effects of: Group relief	<u>1</u>	<u>1</u>
Tax expense	<u>-</u>	<u>-</u>

A reduction in the UK corporation tax rate to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly.

Newco (First Street) 2 Limited

Notes to the Financial Statements - continued for the Year Ended 31 December 2018

6. Investments

	Shares in group under-taking £'000
Cost	
At 1 January 2018 and 31 December 2018	30
Net book value	
At 31 December 2018	30
	Shares in group under-taking £'000
Cost	
Additions	30
At 31 December 2017	30
Net book value	
At 31 December 2017	30

The Company's investments at the Statement of Financial Position date in the share capital of companies include the following:

Vita First Street Limited

Registered office: 8 Sackville Street, London, England, W1S 3DG
Nature of business: Investment property

	% Holding
Class of shares	100
Ordinary shares	

7. Trade and other receivables

	2018 £'000	2017 £'000
Non-current:		
Amounts owed by group undertakings	10,972	11,616

Newco (First Street) 2 Limited**Notes to the Financial Statements - continued**
for the Year Ended 31 December 2018**8. Called up share capital****Allotted, issued and fully paid:****Number: Class:**

100 Ordinary shares

**Nominal
value:
£1****2018
£
100****2017
£
100****9. Reserves****Retained
earnings
£'000**

At 1 January 2018

(3)

Deficit for the year

(3)

At 31 December 2018

(6)**Retained
earnings
£'000**

Deficit for the period

(3)

At 31 December 2017

(3)**10. Trade and other payables****2018
£'000****2017
£'000**

Current:

Accruals

3**3**

Non-current:

Amounts owed to group undertakings

11,005**11,646**

Aggregate amounts

11,008**11,649**

Notes to the Financial Statements - continued
for the Year Ended 31 December 2018

11. Financial instruments

Financial risk management

The Company has exposure to the followings risks from its use of financial instruments:

Credit risk

Liquidity risk

The Board has overall responsibility for establishing appropriate management of exposure to risk.

Capital management

The Company's objectives in managing its capital are to provide adequate returns to the shareholders by operating the business at a predetermined optimal level, by ensuring the present revenue stream from operations continues to increase and by effectively collecting its receivables as agreed with debtors.

At a subsidiary level capital is defined as Equity as shown in the balance sheet. Dividends are paid provided adequate resources remain to sustain the Company's development.

Financial instruments policy

All instruments utilised by the Company are for financing purposes. The day-to-day financial management and treasury are controlled centrally for all operations.

Fair value of financial instruments

As at 31 December 2018, the Company had no other financial instruments other than those disclosed below (2017: £nil). The carrying value of all financial instruments in these financial statements is considered to approximate to their fair value.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2018

11. Financial instruments - continued

	2018	2017
	£'000	£'000
Financial Assets		
Other receivables	10,972	11,616
	<hr/>	<hr/>
Financial Liabilities		
Other payables	11,008	11,649
	<hr/>	<hr/>

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from intra-group companies. Due to the nature of these receivables, management does not consider the credit risk on these receivables to be high.

Exposure to credit risk

The carrying value of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	2018	2017
	£'000	£'000
Other receivables	10,972	11,616
	<hr/>	<hr/>

Following adoption of IFRS 9 on 1 January 2018 the Company introduced the expected credit loss approach to establish an allowance for impairment that represents its estimate of expected credit loss in respect of trade and other receivables. The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected credit loss allowance for all trade receivables. To measure expected credit losses trade receivables have been grouped based on shared credit characteristics and the days past due. The loss allowance at 1 January 2018 was reviewed and no adjustment was considered necessary.

No financial assets were considered impaired or overdue as at 31 December 2018. Trade receivables are written off where there is no reasonable expectation of recovery. Impairment losses on trade receivables are presented as net impairment losses within operating profit, any subsequent recoveries are credited against the same line.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risks by regular reviews of forecast cash flows in line with contractual maturities of financial liabilities and credit facilities available. Forecast cash flows are reported to the Board on a regular basis.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2018

11. Financial instruments - continued

The following are the contractual maturities of financial liabilities of the Company:

	Carrying amount £'000	Contractual cash flows £'000	3 months or less £'000	3-12 months £'000	1-2 years £'000	2-5 years £'000
At 31 December 2018						
Other payables	11,008	11,008	-	3	11,005	-

	Carrying amount £'000	Contractual cash flows £'000	3 months or less £'000	3-12 months £'000	1-2 years £'000	2-5 years £'000
At 31 December 2017						
Other payables	11,649	11,649	-	-	-	11,649

Sensitivity analysis

The Company does not have any liabilities which are exposed to external risk factors, such as interest rate movements, for this reason, the Directors do not feel that it is appropriate to complete sensitivity analysis.

Newco (First Street) 2 Limited

Notes to the Financial Statements - continued **for the Year Ended 31 December 2018**

12. Related party disclosures

The Directors consider Select Property Group (Holdings) Limited and all of its subsidiaries to be related parties of the Company.

The following balances with related parties existed at the year end:

	Interest income/ (expense) £'000	Intercompany balance £'000
31 December 2018		
Vita First Street Limited	1,476	10,972
Newco (First Street) Limited	(1,476)	(11,005)
31 December 2017		
Vita First Street Limited	1,971	11,616
Newco (First Street) Limited	(1,971)	(11,646)

A negative balance indicates an amount payable by the Company. A positive balance indicates an amount receivable by the Company.

All related party balances are unsecured and all transactions are carried out on an arms-length basis.

Interest is charged in accordance with the specific intra-group loan agreements.

13. Events after the reporting period

Effective 14 August 2019 there was a change in the ultimate controlling party as a result of the transaction explained in the Ultimate Controlling Party note.

14. Ultimate controlling party

The immediate parent undertaking as at 31 December 2018 was Newco (First Street) Limited, and the ultimate controlling party was Select Property Group (Holdings) Limited.

The largest and smallest Group in which the results of the Company were consolidated is that headed by Select Property Group (Holdings) Limited, incorporated in the UK. The consolidated financial statements of this company are available to the public and may be obtained from The Registrar of Companies House, Cardiff, CF4 3UZ.

On 14 August 2019, the Company was acquired by Swift Newco B Limited. Swift Newco B Limited is part of a joint venture agreement between DWS Grundbesitz GmbH (76.3%) and DWS Alternatives GmbH (23.7%).

Both joint venture partners are limited liability companies incorporated in Germany, and operating under German law, and the registered address is Mainzer Landstrasse 11-17, 60329 Frankfurt am Main.

Newco (First Street) 2 Limited

Notes to the Financial Statements - continued
for the Year Ended 31 December 2018

15. Reconciliation of loss before income tax to cash generated from operations

	Year ended 31/12/18 £'000	Period 29/7/16 to 31/12/17 £'000
Loss before income tax	(3)	(3)
Finance costs	1,476	1,971
Finance income	(1,476)	(1,971)
	<u>(3)</u>	<u>(3)</u>
Decrease/(increase) in trade and other receivables	644	(11,616)
(Decrease)/increase in trade and other payables	(641)	11,649
	<u>(641)</u>	<u>11,649</u>
Cash generated from operations	-	30