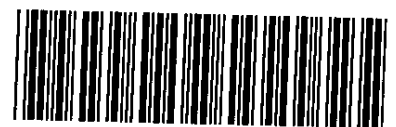


Registered Number: 08135891

URBANEST UK CAMLEY STREET MT GP2 LIMITED

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

WEDNESDAY



LD4 *L842KB97* #48
24/04/2019
COMPANIES HOUSE

Urbanest UK Camley Street MT GP2 Limited

Directors' Report for the year ended 31 December 2018

The Directors submit their report with the audited financial statements of Urbanest UK Camley Street MT GP2 Limited ("the Company") for the year ended 31 December 2018.

RESULTS FOR THE YEAR

The results are set out in the Statement of Total Comprehensive Income on page 5

PRINCIPAL ACTIVITIES

The Company's principal activity in the year under review was that of acting as a General Partner to Urbanest UK Camley Street MT Limited Partnership, a fellow subsidiary of Urbanest UK Limited Partnership, registered in the United Kingdom. No changes in the Company's principal activity are anticipated in the foreseeable future.

The principal place of business of the Company is 101 St Martin's Lane, London, WC2N 4AZ.

No strategic report has been prepared as the Company has elected to make use of the disclosure exemption for small companies under Companies Act 2006, s 414B.

DIRECTORS

The Directors who held office during the year and at the date of signing this report were

R. Patel
T. Thakore
M. Morgan
V. Skinner

GOING CONCERN

The Directors have reviewed the current and projected financial position of the Company, making reasonable assumptions about future performance and believe that the Company has adequate financial resources and is well placed to manage its business risks successfully to meet liabilities as they fall due and continue in operation for at least 12 months after these financial statements are signed.

SUBSEQUENT EVENTS

There were no material events after the date of the balance sheet that have a bearing on the understanding of these financial statements.

INDEPENDENT AUDITORS

The auditors, PricewaterhouseCoopers LLP have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at a General Meeting.

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing the Annual Report 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, comprising FRS 101 "Reduced Disclosure Framework", 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 year. In preparing the financial statements, the Directors are required to

- select suitable accounting policies and then apply them consistently,
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements,
- make judgements and accounting estimates that are reasonable and prudent, and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Company will continue in business.

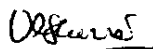
The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The Directors 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.

DISCLOSURE OF INFORMATION TO THE AUDITORS

So far as each Director is aware, there is no relevant audit information of which the Company's auditors are unaware, and they have taken all steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

On behalf of the Board



V Skinner
Director
Urbanest UK Camley Street MT GP2 Limited

Date: 15 April 2019

Registered in England and Wales
Registered number: 08135891

Urbanest UK Camley Street MT GP2 Limited

Independent Auditors' Report to the Members of Urbanest UK Camley Street MT GP2 Limited

Report on the audit of the financial statements

Opinion

In our opinion, Urbanest UK Camley Street MT GP 2 Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Report and Financial Statements (the "Annual Report"), which comprise the balance sheet as at 31 December 2018, the statement of total comprehensive income, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- 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.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Urbanest UK Camley Street MT GP2 Limited
Independent Auditors' Report to the Members of Urbanest UK Camley Street MT GP2 Limited

Responsibilities for the financial statements and the audit

Responsibilities of the Directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the Directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Directors are also responsible for such internal control as they determine is 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 auditors' 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 FRC's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

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.

Other required reporting

Companies Act 2006 exception reporting

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 by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

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; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Thomas Norrie (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
15 April 2019

Urbanest UK Camley Street MT GP2 Limited
Statement of Total Comprehensive Income for the year ended 31 December 2018

		Year ended 31 December 2018	Year ended 31 December 2017
	Note	£	£
Profit share from Urbanest UK Camley Street MT Limited Partnership	5	1,359	1,298
Profit on ordinary activities before taxation		1,359	1,298
Tax on profit on ordinary activities	6	-	-
Profit and total comprehensive income for the financial year		1,359	1,298

All amounts arise from continuing operations. There is no material difference between reported profit for the financial year and historical cost profit on ordinary activities before taxation. There are no recognised gains or losses other than those shown in the Statement of Total Comprehensive Income above.

Notes 1 to 12 form part of these financial statements.

There are no items which would be recognised in a separate statement of comprehensive income other than the profit for the financial year and therefore the Company has adopted the approach to present a single statement of comprehensive income.

Urbanest UK Camley Street MT GP2 Limited
Statement of changes in Equity for the year ended 31 December 2018

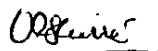
	Called up Share Capital	Retained earnings	Total Shareholders' funds
	£	£	£
At 1 January 2017	2	2,458	2,460
Profit for the financial year	-	1,298	1,298
Total comprehensive income	-	1,298	1,298
At 31 December 2017	2	3,756	3,758
Profit for the financial year	-	1,359	1,359
Total comprehensive income	-	1,359	1,359
At 31 December 2018	2	5,115	5,117

Urbanest UK Camley Street MT GP2 Limited
Balance Sheet as at 31 December 2018

	Note	31 December 2018 £	31 December 2017 £
Current assets			
Debtors	7	5,117	3,758
Net current assets		5,117	3,758
Total assets less current liabilities		5,117	3,758
Net assets		5,117	3,758
Capital and reserves			
Called up share capital	8	2	2
Retained earnings		5,115	3,756
Total shareholders' funds		5,117	3,758

Notes 1 to 12 form part of these financial statements

The financial statements on pages 5 to 10 were approved by the Board of Directors on 15 April 2019 and signed on its behalf by



V Skinner
Director
Urbanest UK Camley Street MT GP2 Limited

Urbanest UK Camley Street MT GP2 Limited

Notes to the financial statements for the year ended 31 December 2018

1. Authorisation of financial statements and statement of compliance with FRS 101

The financial statements of Urbanest UK Camley Street MT GP2 Limited ("the Company") for the year ended 31 December 2018 were authorised for issue by the Directors on 15 April 2019 and the balance sheet was signed on behalf of the Directors by V Skinner. These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101") and in accordance with applicable accounting standards. The Company's financial statements are presented in Sterling and all values are rounded to the nearest pound except when otherwise indicated

The principal accounting policies adopted by the Company are set out in note 2

2. Accounting policies

(a) Basis of preparation

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 December 2018

The Company has taken advantage of the following disclosure exemptions under FRS 101

(a) the requirements of IFRS 7 *Financial Instruments*

(b) the requirements of paragraphs 91-99 of IFRS 13 *Fair Value Measurement*

(c) the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of IAS 16 *Property, Plant and Equipment*, IAS 40 *Investment Property*

(d) the requirements of paragraphs 10(d), 10(f), 39(c) and 134-136 of IAS 1 *Presentation of Financial Statements*

(e) the requirements of IAS 7 *Statement of Cash Flows*

(f) the requirements of paragraphs 30 and 31 of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*

(g) the requirements of paragraph 17 of IAS 24 *Related Party Disclosures*

(h) the requirements in IAS 24 *Related Party Disclosures* to disclose related party transactions entered into between two or more members of a Group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

(i) the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 *Impairment of Assets*

(j) the requirements of IAS 8 *IFRSs issued but not effective*

The financial statements have been prepared on the historical cost basis. The financial statements are presented in sterling, the functional currency of the Company, which is the currency of the primary environment in which it operates. For many entities, this is the currency of the country in which they operate

(b) Going Concern

The Directors have reviewed the current and projected financial position of the Company, making reasonable assumptions about future performance and believe that the Company has adequate financial resources and is well placed to manage its business risks successfully to meet liabilities as they fall due and continue in operation for at least 12 months after these financial statements are signed

(c) Significant accounting judgements, estimates and assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. No judgements or estimates have had significant effect on amounts recognised in the financial statements

(d) Taxation

Taxation on the profit or loss for the year comprises current and deferred tax. Current tax is the tax payable on the taxable income for the year and any adjustment in respect of previous years.

Deferred tax is provided in full using the balance sheet liability method on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is determined using tax rates that have been enacted or substantially enacted by the reporting date and are expected to apply when the asset is realised or the liability is settled

Taxation is charged at the corporation tax rate of 19.00% (2017: 19.00%).

(e) Profit share

Income from investment in Group undertakings relates to profit share recognised on an accruals basis received as a General Partner as set out in Note 5

(f) Debtors

The amounts owed by Group undertakings are classified as loans and other receivables. They are recognised initially at fair value then at amortised cost less provision for impairment

Changes in accounting policy and disclosures

New standards, amendments and IFRIC interpretations

IFRS 9 and IFRS 15 are new accounting standards that are effective for the year ended 31 December 2018 and have had no material impact on the Company

There are no new amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 December 2018 have had a material impact on the Company

Urbanest UK Camley Street MT GP2 Limited
Notes to the financial statements for the year ended 31 December 2018

3. Directors and employees

The directors did not receive any emoluments for their services (2017: £nil). However, there are directors of the Company who receive salaries from another Group undertaking in respect of their employment by that entity for which no apportionment or recharge is made.

The Company had no employees in the current year (2017: nil).

4. Auditors' remuneration

No Audit fees were paid by the Company in the current year. Audit fees of £3,091 (2017: £3,001) are paid by Urbanest UK Camley Street Limited Partnership on behalf of Urbanest UK Camley Street MT GP2 Limited in relation to the audit of the financial statements.

The auditors did not provide any non-audit services to the Company during the current and prior year.

5. Income from investment in Group undertakings

Income from investment in Group undertakings relates to the profit share received in relation to the Company's role as General Partner of Urbanest UK Camley Street MT Limited Partnership.

6. Tax on profit on ordinary activities

	Year ended 31 December 2018 £	Year ended 31 December 2017 £
Profit on ordinary activities before taxation	1,359	1,298
Profit on ordinary activities multiplied by the effective standard rate in the UK 19.00% (2017: 19.25%)	258	250
Effects of UK Group Tax Relief	(258)	(250)
Total tax charge	-	-

The UK corporation tax rate is 19%.

7. Debtors

	2018 £	2017 £
Amounts owed by Group undertakings	5,117	3,758
	5,117	3,758

The amounts owed by Group undertakings are repayable on demand and carry no interest.

8. Called up share capital

	Authorised		Allotted and fully paid	
	2018 No.	2017 No.	2018 £	2017 £
Ordinary shares of £1 each	2	2	2	2

9. Cash flow statement exemption

No cash flow statement has been prepared as the Company has elected to make use of the disclosure exemption under Financial Reporting Standard 101 with regards to the requirements of IAS 7 Statement of Cash Flows.

Urbanest UK Camley Street MT GP2 Limited
Notes to the financial statements for the year ended 31 December 2018

10. Related party transactions

The Company is a wholly owned subsidiary within Urbanest UK Limited Partnership Group ("the Group"), and has therefore elected to make use of the exemption provided in the requirements of paragraph 17 of IAS 24 *Related Party Disclosures* relating to Key Management Personnel and also has made use of the election not to disclose related party transactions entered into between two or more wholly owned members of the Group.

The Company did not enter into any transactions with related parties outside the Group during the year

11. Ultimate controlling party

The immediate parent Company is Urbanest UK Holdco Limited, a Company registered in Jersey. The immediate parent of Urbanest UK Holdco Limited is Urbanest UK Limited Partnership an entity registered in Jersey

Urbanest UK Limited Partnership heads the smallest and the largest Group, for which the consolidated financial statements are prepared. The financial statements of Urbanest UK Limited Partnership are available from 2nd Floor, Gaspé House, 66-72 Esplanade, St Helier, Jersey, JE1 1GH

The immediate controlling party of Urbanest UK Limited Partnership and the Group is considered to be its General Partner, Urbanest UK GP Limited. The immediate parent of Urbanest UK Limited Partnership is Evergreen Other Portfolio Investments LLC an entity registered in Delaware

At 31 December 2018, the Partnership considered the ultimate controlling party to be Evergreen Real Estate Partners LLC

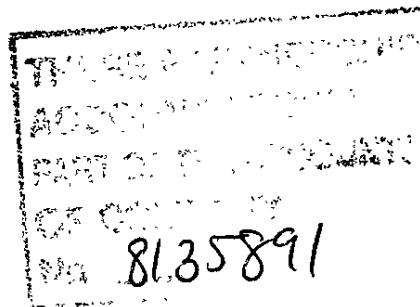
12. Subsequent events

There were no material events after the date of the balance sheet that have a bearing on the understanding of these financial statements

Registered Number: LP015112

URBANEST UK CAMLEY STREET MT LIMITED PARTNERSHIP

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018



Urbanest UK Camley Street MT Limited Partnership

General Partners' Report for the year ended 31 December 2018

The Directors of the General Partners ("the Directors") submit their report with the audited financial statements of the Urbanest UK Camley Street MT Limited Partnership ("the Limited Partnership") for the year ended 31 December 2018

RESULTS FOR THE YEAR

The results are set out in the Statement of Total Comprehensive Income on page 5

PRINCIPAL ACTIVITIES

In accordance with the amended Limited Partnership Agreement dated 9 April 2014 ("LPA"), the principal activity of the Limited Partnership is that of management of investment property and property related investments. The Limited Partnership has a lease agreement with Urbanest UK Camley Street Limited Partnership relating to an investment property and under the terms of the lease is entitled to receive rental income generated by the investment property. No changes in the Limited Partnership's principal activity are anticipated in the foreseeable future

The principal place of business of the Limited Partnership is 101 St Martin's Lane, London, WC2N 4AZ

No strategic report has been prepared as the Limited Partnership has elected to make use of the disclosure exemption for small qualifying partnerships under Companies Act 2006, s 414B and the Partnerships (Accounts) Regulations 2008

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risk facing the Limited Partnership is that of poor performance of the managed property, which might have a material impact on the rental income. The Limited Partnership's performance during the year indicates a satisfactory performance as rental income of the managed property continues to increase

FINANCIAL RISK MANAGEMENT

The Limited Partnership's principal financial assets are cash and trade receivables. The Limited Partnership has no significant concentration of credit risk, with exposure spread over a large number of counterparties

GOING CONCERN

The General Partners of the Limited Partnership have reviewed the current and projected financial position of the Limited Partnership, making reasonable assumptions about future trading performance and believe that the Limited Partnership has adequate financial resources and is well placed to manage its business risks successfully to meet liabilities as they fall due and continue in operation for at least 12 months after these financial statements are signed

SUBSEQUENT EVENTS

There were no material events after the date of the balance sheet that have a bearing on the understanding of these financial statements

PARTNERS

Urbanest UK Camley Street MT GP1 Limited and Urbanest UK Camley Street MT GP2 Limited ("the General Partners"), with no direct interest in the Limited Partnership, act as the General Partners to the Limited Partnership. The Limited Partners and their respective percentage holdings are shown below:

Urbanest UK Camley Street Unit Trust	100%
--------------------------------------	------

INDEPENDENT AUDITORS

The auditors, PricewaterhouseCoopers LLP have indicated their willingness to continue in office and a resolution covering their re-appointment will be proposed at a General Meeting

Urbanest UK Camley Street MT Limited Partnership

General Partners' Report for the year ended 31 December 2018

GENERAL PARTNERS' RESPONSIBILITIES STATEMENT

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

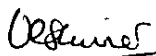
Company law as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 (the "Regulations") requires the General Partners to prepare financial statements for each financial year. Under that law the General Partners have prepared the Limited Partnership financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 'Reduced Disclosure Framework'. Under company law as applied to qualifying partnerships the General Partners 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 partnership and of the profit or loss of the partnership for that year. In preparing these financial statements, the General Partners 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, including FRS 101 'Reduced Disclosure Framework' 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 partnership and Group will continue in business

The General Partners are responsible for keeping adequate accounting records that are sufficient to show and explain the partnership's transactions and disclose with reasonable accuracy at any time the financial position of the partnership and enable them to ensure that the financial statements comply with the Companies Act 2006 as applied to qualifying partnerships by the Regulations. They are also responsible for safeguarding the assets of the partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

DISCLOSURE OF INFORMATION TO THE AUDITORS

So far as each director of the General Partners is aware, there is no relevant audit information of which the Limited Partnership's auditors are unaware, and they have taken all steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Limited Partnership's auditors are aware of that information



V Skinner
Director.
For and on behalf of the General Partner
Urbanest UK Camley Street MT GP1 Limited

Date 15 April 2019

Registered Number LP015112



V Skinner
Director.
For and on behalf of the General Partner
Urbanest UK Camley Street MT GP2 Limited

Date 15 April 2019

Urbanest UK Camley Street MT Limited Partnership

Independent Auditors' Report to the Members of Urbanest UK Camley Street MT Limited Partnership

Report on the audit of the financial statements

Opinion

In our opinion, Urbanest UK Camley Street MT Limited Partnership's financial statements:

- give a true and fair view of the state of the qualifying partnership's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008.

We have audited the financial statements, included within the Annual Report, which comprise: the balance sheet as at 31 December 2018, the statement of total comprehensive income, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the qualifying partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- the general partner's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the general partner has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the qualifying partnership'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.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the qualifying partnership's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the qualifying partnership's trade, customers, suppliers and the wider economy.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The general partner is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the General partners' report, we also considered whether the disclosures required by the UK Companies Act 2006 as applied to qualifying partnerships have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

General Partners' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the General partners' report for the year ended 31 December 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the qualifying partnership and its environment obtained in the course of the audit, we did not identify any material misstatements in the General partners' report.

Urbanest UK Camley Street MT Limited Partnership

Independent Auditors' Report to the Members of Urbanest UK Camley Street MT Limited Partnership

Responsibilities for the financial statements and the audit

Responsibilities of the General Partner for the financial statements

As explained more fully in the General Partner's Responsibilities Statement set out on page 2, the general partner is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The general partner is also responsible for such internal control as they determine is 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 general partner is responsible for assessing the qualifying partnership'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 general partner either intends to liquidate the qualifying partnership or to cease operations, or has 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 auditors' 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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinion, has been prepared for and only for the partners of the qualifying partnership as a body in accordance with the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 and for no other purpose. We do not, in giving this opinion, 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.

Other required reporting

Companies Act 2006 exception reporting


Under the Companies Act 2006 as applied to qualifying partnerships 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 by the qualifying partnership, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of general partner's remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 as applied to qualifying partnerships we are required to report to you if, in our opinion, the general partner were not entitled to: prepare financial statements in accordance with the small companies regime; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Thomas Norrie (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
15 April 2019

Urbanest UK Camley Street MT Limited Partnership
Statement of Total Comprehensive Income for the year ended 31 December 2018

	Note(s)	Year ended 31 December 2018 £	Year ended 31 December 2017 £
Revenue			
Property rental income	3	6,085,727	5,917,946
Total Revenue		6,085,727	5,917,946
Cost of sales			
Direct property costs	3,4	(1,490,224)	(1,376,831)
Gross operating profit		4,595,503	4,541,115
Property management and administrative expenses	5	(4,050,023)	(4,005,909)
Operating profit		545,480	535,206
Profit before interest		545,480	535,206
Interest receivable and similar income	6	2,121	343
Profit and total comprehensive income for the financial year attributable to the Partner transferred to the Partners' current account		547,601	535,549

All amounts arise from continuing operations. There is no material difference between reported profit for the financial year and historical cost profit on ordinary activities before taxation. There are no recognised gains and losses other than those shown in the Statement of Total Comprehensive Income above

Notes 1 to 17 form part of these financial statements

There are no items which would be recognised in a separate statement of comprehensive income other than the profit for the financial year and therefore the Limited Partnership has adopted the approach to present a single statement of comprehensive income

Urbanest UK Camley Street MT Limited Partnership
Statement of Changes in Equity for the year ended 31 December 2018

	Partners' Capital account £	Partners' Current account £	Total Partners' funds £
At 1 January 2017	1	125,906	125,907
Profit for the financial year	-	535,549	535,549
Total comprehensive income	-	535,549	535,549
Distributions paid to Partners	-	(519,306)	(519,306)
At 31 December 2017	1	142,149	142,150
Profit for the financial year	-	547,601	547,601
Total comprehensive income	-	547,601	547,601
Distributions paid to Partners	-	(543,813)	(543,813)
At 31 December 2018	1	145,937	145,938

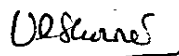
Urbanest UK Camley Street MT Limited Partnership
Balance Sheet as at 31 December 2018

	Note	31 December 2018 £	31 December 2017 £
Current assets			
Debtors	9	438,969	512,877
Cash and cash equivalents	10	1,832,009	1,481,990
		2,270,978	1,994,867
Creditors: amounts falling due within one year	11	(2,125,040)	(1,852,717)
Net current assets		145,938	142,150
Total assets less current liabilities		145,938	142,150
Net assets attributable to Partners represented by:		145,938	142,150
Partners' capital accounts	12	1	1
Partners' current accounts	13	145,937	142,149
Total Partners' funds		145,938	142,150

Notes 1 to 17 form part of these financial statements

The financial statements on pages 5 to 15 were approved by the General Partners on 15 April 2019

Signed on behalf of the General Partners



V Skinner
Director
Urbanest UK Camley Street MT GP1 Limited



V Skinner
Director
Urbanest UK Camley Street MT GP2 Limited

Urbanest UK Camley Street MT Limited Partnership

Notes to the financial statements for the year ended 31 December 2018

1. Authorisation of financial statements and statement of compliance with FRS 101

The financial statements of Urbanest UK Camley Street MT Limited Partnership ("the Limited Partnership") for the year ended 31 December 2018 were authorised for issue by the Directors of the General Partners ("the Directors") on 15 April 2019 and the balance sheet was signed on behalf of the Directors by V Skinner. These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101") and in accordance with applicable accounting standards. The Limited Partnership's financial statements are presented in Sterling and all values are rounded to the nearest pound except when otherwise indicated.

The principal accounting policies adopted by the Limited Partnership are set out in note 2.

2. Accounting policies

(a) Basis of preparation

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 December 2018.

The financial statements have been prepared in accordance with the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 and in accordance with the Limited Partnership Agreement. The Limited Partnership has taken advantage of the following disclosure exemptions under FRS 101:

(a) the requirements of IFRS 7 *Financial Instruments*

(b) the requirements of paragraphs 91-99 of IFRS 13 *Fair Value Measurement*

(c) the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of IAS 16 *Property, Plant and Equipment*, IAS 40 *Investment Property*

(d) the requirements of paragraphs 10(d), 10(f), 39(c) and 134-136 of IAS 1 *Presentation of Financial Statements*

(e) the requirements of IAS 7 *Statement of Cash Flows*

(f) the requirements of paragraphs 30 and 31 of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*

(g) the requirements of paragraph 17 of IAS 24 *Related Party Disclosures*

(h) the requirements in IAS 24 *Related Party Disclosures* to disclose related party transactions entered into between two or more members of a Group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

(i) the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 *Impairment of Assets*

(j) the requirements of IAS 8 *IFRSs issued but not effective*

The financial statements have been prepared on the historical cost basis. The financial statements are presented in sterling, the functional currency which is the currency of the primary economic environment in which the Limited Partnership operates.

(b) Going Concern

The General Partners of the Limited Partnership have reviewed the current and projected financial position of the Limited Partnership, making reasonable assumptions about future trading performance and believe that the Limited Partnership has adequate financial resources and is well placed to manage its business risks successfully to meet liabilities as they fall due and continue in operation for at least 12 months after these financial statements are signed.

(c) Significant accounting judgements, estimates and assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

No judgements or estimates have had significant effect on amounts recognised in the financial statements.

(d) Financial Instruments

(i) Financial assets

Initial Recognition and measurement

Financial assets within the scope of IFRS 9 are classified, at initial recognition, as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, Available for sale (AFS) financial assets, or as derivatives designated as hedging instruments in an effective hedge. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

The Limited Partnership determines the classification of its financial assets at initial recognition. All financial assets are recognised initially at fair value plus directly attributable transaction costs. The Limited Partnership's financial assets include cash and short-term deposits, trade and other receivables, including current and non-current rent deposits.

Subsequent measurement

For purposes of subsequent measurement, all financial assets are classified as loans and receivables. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss in finance costs for loans and in cost of sales or other operating expenses for receivables. This category generally applies to trade and other receivables.

(ii) Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, derivatives at fair value through profit or loss or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Limited Partnership determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, directly attributable transaction costs are also included.

Subsequent measurement

Financial liabilities are classified as loans and borrowings. Obligations for loans and borrowings are recognised when the Limited Partnership becomes party to the related contracts and are measured initially at the fair value of consideration received less directly attributable transaction costs, including arrangement fees. After initial recognition, loans and borrowings are subsequently measured at amortised cost using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn-down, the fee is capitalised as a pre-payment for

Urbanest UK Camley Street MT Limited Partnership

Notes to the financial statements for the year ended 31 December 2018

liquidity services and amortised over the period of the facility to which it relates. Gains and losses arising on the repurchase, settlement or otherwise cancellation of liabilities are recognised respectively in finance.

(e) Revenue recognition

The turnover comprises rental income, service charges and other recoveries from tenants of property leased from a fellow subsidiary undertaking. Rental income from operating leases is recognised on a straight-line basis over the lease term. When the Limited Partnership provides incentives to its tenants, the cost of incentives is recognised over the lease term, on a straight-line basis, as a reduction of rental income. Service and management charges are recognised in the accounting period in which the services are rendered.

(f) Impairment of assets

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

(g) Taxation

The Limited Partnership is an English limited partnership. As such, the Limited Partnership is not subject to taxes in the United Kingdom, but rather the results of the Limited Partnership will be allocated to the Partners who may be taxed on their share of the results of the Limited Partnership, depending on their own tax status.

(h) Trade and other debtors

Trade and other debtors are amounts due from tenants for services provided in the ordinary course of business. Trade debtors, which generally have 0 -30 day terms, are recognised and carried at the lower of their original invoiced value and recoverable amount. Provision for impairment is made through profit or loss when there is objective evidence that the Limited Partnership will not be able to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.

(i) Trade and other creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other creditors are recognised initially at fair value and subsequently at amortised cost using effective interest methods. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

(j) Cash

Cash consists of cash in hand and deposits held with banks, which are instantly available. Deposits with banks are held on restricted accounts. Deposits held on restricted accounts are not readily available either because there is a charge over deposit or it is reserved for specific expenditure.

(k) Partners' capital accounts

Partners' capital accounts comprise of capital contributions in the period net of any capital repayments in the form of distributions made by the Limited Partnership. There is no interest accruing on the Partners' capital accounts pursuant to Clause 10.5 of the LPA.

(l) Partners' current accounts

Partners' current accounts comprise of allocation of profits or losses made by the Limited Partnership net of any distributions made to Partners, which are not treated as capital or loan repayments. There is no interest accruing on credit balances in the Partners' current accounts pursuant to Clause 10.5 of the LPA.

(m) Allocation of profits/ losses

Profits or losses made by the Limited Partnership are allocated to individual Partners' current accounts in proportion to capital and loan contributions made by the Partners, levels of which are determined by the General Partners in accordance with the LPA.

Changes in accounting policy and disclosures

New standards, amendments and IFRIC interpretations

IFRS 9 and IFRS 15 are new accounting standards that are effective for the year ended 31 December 2018 and have had no material impact on the Partnership.

There are no new amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 December 2018 have had a material impact on the Partnership.

Urbanest UK Camley Street MT Limited Partnership
Notes to the financial statements for the year ended 31 December 2018

3. Revenue

The whole turnover is attributable to the United Kingdom

The turnover represents rental and ancillary income received from tenants of the property leased from a fellow subsidiary undertaking

Revenue recognised in the Statement of Total Comprehensive Income is analysed as follows

	Year ended 31 December 2018 £	Year ended 31 December 2017 £
Property rental income	6,085,727	5,917,946
Direct property costs	(1,490,224)	(1,376,831)
Gross operating profit	4,595,503	4,541,115

All of turnover arises from one property, geographically located within the UK. As a result, management have determined that the Limited Partnership operates a single operating segment within the UK student accommodation sector.

The future aggregate minimum rentals receivable under non-cancellable operating leases are as follows

	Year ended 31 December 2018 £	Year ended 31 December 2017 £
No later than 1 year	3,270,000	4,285,315
Later than 1 year and no later than 5 years	429,373	545,682
Later than 5 years	41,240	108,740
	3,740,613	4,939,737

4. Direct property costs

Property outgoings are costs incurred in the direct maintenance and upkeep of investment properties

Staff costs included in direct property costs

	Year ended 31 December 2018 £	Year ended 31 December 2017 £
Wages and salaries	350,389	283,768
Social security costs	36,579	31,280
	386,968	315,048

All staff are employed by a fellow Group undertaking. Costs relating to staff associated with the property have been recharged to the Limited Partnership.

Urbanest UK Camley Street MT Limited Partnership
Notes to the financial statements for the year ended 31 December 2018

5. Property management and administrative expenses

Property management and administrative expenses consist of all costs of managing the property, together with the costs of rent reviews and renewals, re-lettings of the property and management services. No staff costs or overheads are capitalised

(a) Employees

The Limited Partnership had no employees during the year (2017 nil)

(b) Auditors' remuneration

No Audit fees were paid by the Limited Partnership in the year. Audit fees of £2,493 (2017 £2,420) are paid by Urbanest UK Camley Street Limited Partnership on behalf of Urbanest UK Camley Street MT Limited Partnership in relation to the audit of the financial statements

The auditors did not provide any non-audit services to the Limited Partnership during the current or prior year

(c) Directors' emoluments / Corporate Services

The Directors received no emoluments for their services to the Limited Partnership. However, there are Directors who receive salaries from another Group undertaking in respect of their employment by that entity for which no apportionment or recharge was made

6. Interest receivable and similar income

	Year ended 31 December 2018 £	Year ended 31 December 2017 £
Bank interest	2,121	343
	<u>2,121</u>	<u>343</u>

7. Fair value measurement of financial instruments

The accounting policies for financial instruments have been applied to the line items below

Assets per the balance sheet	Loans and receivables 2018 £	Total 2018 £
Trade and other debtors excluding prepayments	314,699	314,699
Cash and cash equivalents	1,832,009	1,832,009
	<u>2,146,708</u>	<u>2,146,708</u>
Liabilities as per the balance sheet	Other financial liabilities at amortised cost 2018 £	Total 2018 £
Trade and other payables excluding accruals	102,003	102,003
	<u>102,003</u>	<u>102,003</u>

Urbanest UK Camley Street MT Limited Partnership
Notes to the financial statements for the year ended 31 December 2018

7. Fair value measurement of financial instruments (continued)

Assets per the balance sheet	Loans and receivables 2017 £	Total 2017 £
Trade and other debtors excluding prepayments	362,690	362,690
Cash and cash equivalents	1,481,990	1,481,990
	1,844,680	1,844,680

Liabilities as per the balance sheet	Other financial liabilities at amortised cost 2017 £	Total 2017 £
Trade and other payables excluding accruals	169,292	169,292
	169,292	169,292

The carrying value of short term receivables and payables are assumed to approximate their fair values where discounting is not material. There are no assets or liabilities at fair value through profit or loss.

8. Financial instruments risk management objectives and policies

The Limited Partnership has identified exposure to the following financial risks:

- Credit risk
- Liquidity risk

The policies for managing each of these risks and the principal effects of these policies on the results for the year are summarised below:

Credit risk

The Limited Partnership's main financial assets are cash and cash equivalents, deposits with banks and trade and other receivables. Credit risk is the risk of financial loss of a tenant or a counterparty, if a financial instrument counterparty fails to meet its contractual obligations. The Limited Partnership's exposure to this risk principally relates to the receivables from tenants and cash and cash equivalents balances held with counterparties. In the case of direct tenancies, trade debtors are spread over a large number of counterparties which helps to minimise risk. In respect of tenancies taken by educational institutions, credit worthiness is assessed on a case by case basis. The tenancies are normally secured either against security deposits or parent company guarantees. Trade debtors are reviewed for possible impairment on a regular basis.

Cash and cash equivalents are held with major UK clearing banks in order to minimise any risk exposure in this area. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	2018 £	2017 £
Cash and cash equivalents	1,832,009	1,481,990
Trade and other debtors excluding prepayments	314,699	362,690
	2,146,708	1,844,680

Urbanest UK Camley Street MT Limited Partnership
Notes to the financial statements for the year ended 31 December 2018

8. Financial instruments risk management objectives and policies (continued)

Liquidity risk

Liquidity risk is the risk that the Limited Partnership will not be able to meet its financial obligations as they fall due.

The Limited Partnership's approach to managing liquidity is to ensure that it will always have sufficient funds to meet obligations as they fall due. This is performed via a variety of methods including daily cash flow review and forecasting, monthly monitoring of the maturity profile of debt and the regular revision of borrowing facilities in relation to the Limited Partnership's requirements and strategy.

Cash flow is monitored formally on a monthly basis as part of internal performance monitoring with regular daily monitoring and forecasting undertaken to manage day to day cash flows and any balances which are ring-fenced by lenders.

The following is an analysis of the contractual undiscounted cash flows payable under financial liabilities existing at the balance sheet date.

Year ended 31 December 2018	On demand	Less than 3 months	3 to 12 months	1 to 5 years	>5 years	Total
	£	£	£	£	£	£
Trade and other payables	-	102,003	-	-	-	102,003
	-	102,003	-	-	-	102,003

Year ended 31 December 2017	On demand	Less than 3 months	3 to 12 months	1 to 5 years	>5 years	Total
	£	£	£	£	£	£
Trade and other payables	-	169,292	-	-	-	169,292
	-	169,292	-	-	-	169,292

9. Debtors

	2018	2017
	£	£
Trade debtors	314,699	362,690
Amounts owed by parent undertaking	1	1
Prepayments and accrued income	124,269	150,186
	438,969	512,877

Trade debtors are non-interest bearing and are generally on terms of 30 days

As at 31 December 2018, trade debtors of an initial value of £122,512 (2017: £284,443) were impaired and fully provided for

The amounts owed by parent undertaking are repayable on demand and carry no interest

10. Cash and cash equivalents

	2018	2017
	£	£
Deposits held with banks on restricted accounts	1,832,009	1,481,990
	1,832,009	1,481,990

Deposits held with banks on restricted accounts comprise tenant deposits together with cash balances restricted under the terms of secured debt facilities, which are under the control of the lender

Urbanest UK Camley Street MT Limited Partnership
Notes to the financial statements for the year ended 31 December 2018

11. Creditors: amounts falling due within one year

	2018 £	2017 £
Trade Creditors	41,859	24,374
Amounts owed to Group undertakings	89,043	9,726
Other creditors	210,231	144,918
Accruals and deferred income	1,783,907	1,673,699
	2,125,040	1,852,717

Trade creditors are non-interest bearing and are normally settled on 30 day terms. The amounts owed to Group undertakings are repayable on demand and carry no interest.

12. Partners' capital accounts

	Total £
At 1 January 2018	1
At 31 December 2018	1

13. Partners' current accounts

	Total £
At 1 January 2017	125,906
Profit for the financial year	535,549
Distributions paid	(519,306)
At 31 December 2017	142,149
Profit for the financial year	547,601
Distributions paid	(543,813)
At 31 December 2018	145,937

14. Cash flow statement exemption

No cash flow statement has been prepared as the Limited Partnership has elected to make use of the disclosure exemption under Financial Reporting Standard 101 with regards to the requirements of IAS 7 Statement of Cash Flows.

15. Related party transactions

The Limited Partnership is a wholly owned subsidiary within Urbanest UK Limited Partnership Group ("the Group"), and has therefore elected to make use of the exemption provided in the requirements of paragraph 17 of IAS 24 *Related Party Disclosures* relating to Key Management Personnel and also has made use of the election not to disclose related party transactions entered into between two or more wholly owned members of the Group.

The Limited Partnership did not enter into any transactions with related parties outside the Group during the year (2017: nil).

Urbanest UK Camley Street MT Limited Partnership

Notes to the financial statements for the year ended 31 December 2018

16. Ultimate controlling party

The immediate controlling party of the Limited Partnership is considered to be the General Partners, Urbanest UK Camley Street MT GP1 Limited and Urbanest UK Camley Street MT GP2 Limited, companies registered in the United Kingdom. The immediate parent of Urbanest UK Camley Street MT GP1 Limited and Urbanest UK Camley Street MT GP2 Limited is Urbanest UK Holdco Limited, a company registered in Jersey.

Urbanest UK Camley Street MT Limited Partnership is owned by Urbanest UK Camley Street Unit Trust, an entity registered in Jersey, whose immediate parent company is Urbanest UK Holdco Limited, a company registered in Jersey.

The immediate parent of Urbanest UK Holdco Limited is Urbanest UK Limited Partnership, an entity registered in Jersey.

Urbanest UK Limited Partnership heads the smallest and the largest Group, for which the consolidated financial statements are prepared. The financial statements of Urbanest UK Limited Partnership are available from 2nd Floor, Gaspé House, 66-72 Esplanade, St Helier, Jersey, JE1 1GH.

The immediate controlling party of Urbanest UK Limited Partnership and the Group is considered to be its General Partner, Urbanest UK GP Limited. The immediate parent of Urbanest UK Limited Partnership is Evergreen Other Portfolio Investments LLC, an entity registered in Delaware.

At 31 December 2018, the Limited Partnership considered the ultimate controlling party to be Evergreen Real Estate Partners LLC.

17. Subsequent events

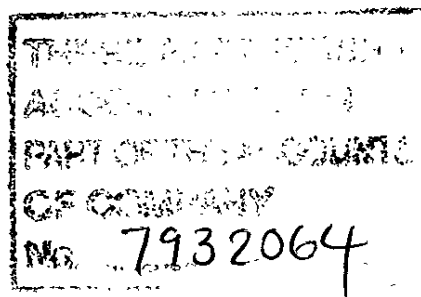
There were no material events after the date of the balance sheet that have a bearing on the understanding of these financial statements.

Registered Number LP014937

URBANEST UK LAMBETH NORTH LIMITED PARTNERSHIP

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018



Urbanest UK Lambeth North Limited Partnership

Strategic Report for the year ended 31 December 2018

STRATEGIC REPORT

The Directors of the General Partners ("the Directors") submit their Strategic report for Urbanest UK Lambeth North Limited Partnership ("the Limited Partnership") for the year ended 31 December 2018

PRINCIPAL ACTIVITIES

The principal activity of the Limited Partnership is that of property investment. The Limited Partnership acts as an investment entity to hold the economic interests of its Partners as owners of the investment property in the United Kingdom. No changes in the Limited Partnership's principal activity are anticipated in the foreseeable future.

REVIEW OF BUSINESS PERFORMANCE

The Limited Partnership's total turnover performed in line with Directors' expectations at **£13,925,156 (2017: £14,064,637)**.

The Fair value gain on Investment property in the year of **£13,657,426 (2017: £39,554,547)** significantly contributed to the Profit and total comprehensive income for the year of **£21,285,647 (2017: £47,050,711)**.

At the year end, net assets totalled **£179,832,175 (2017: £176,202,547)**.

In accordance with the Group's debt facilities, the Directors of the General Partner continually monitor and report on a quarterly basis to debt providers. All key trading and asset loan covenants (historic and projected) continue to be exceeded by both the Partnership's trading and asset strength.

PRINCIPAL RISKS AND UNCERTAINTIES

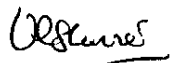
The principal risk facing the Limited Partnership is that poor performance of the investment property coupled with adverse market conditions might have a material impact on the asset valuation in the financial statements. The Limited Partnership's performance during the year indicates a satisfactory performance of the investment property held. Turnover is attributable to third party rental income and lease rental payments received from a fellow subsidiary undertaking. The Limited Partnership is confident that strong demand for student rental accommodation within prime central London locations based on student bookings for the upcoming student academic year will continue to support its turnover performance for the upcoming year.

FINANCIAL RISK MANAGEMENT

The Limited Partnership's principal financial assets are cash, trade receivables and inter-company loans. The Limited Partnership has no significant concentration of credit risk, with exposure spread over a large number of counterparties.

KEY PERFORMANCE INDICATORS ("KPIs")

Given the straightforward nature of the business, the Directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.



V Skinner
Director.

For and on behalf of the General Partner,
Urbanest UK Lambeth North GP1 Limited

Date 15 April 2019



V Skinner
Director.

For and on behalf of the General Partner,
Urbanest UK Lambeth North GP2 Limited

Date 15 April 2019

Urbanest UK Lambeth North Limited Partnership

General Partners' Report for the year ended 31 December 2018

The Directors of the General Partners submit their report with the audited financial statements of Urbanest UK Lambeth North Limited Partnership for the year ended 31 December 2018

RESULTS FOR THE YEAR

The results are set out in the Statement of Total Comprehensive Income shown on page 6.

PRINCIPAL ACTIVITIES

The Partnership was established on 16 March 2012 and is registered as a Limited Partnership in England under company law as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008

The principal place of business of the Company is 101 St Martins Lane, London, WC2N 4AZ

In accordance with the amended Limited Partnership Agreement dated 9 April 2014 ("LPA"), the principal activity of the Limited Partnership is that of property investment

PARTNERS

Urbanest UK Lambeth North GP1 Limited and Urbanest UK Lambeth North GP2 Limited, with no direct interest in the Limited Partnership, act as the General Partners to the Limited Partnership. The Limited Partners and their respective percentage holdings are shown below.

Urbanest UK Westminster Place Unit Trust	100%
------------------------------------------	------

GOING CONCERN

The General Partners believe that preparing the financial statements on the going concern basis is appropriate because there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the Limited Partnership to continue as a going concern

FINANCIAL RISK MANAGEMENT

The Limited Partnership's principal financial assets are cash, trade receivables and inter-company loans. The Limited Partnership has no significant concentration of credit risk, with exposure spread over a large number of counterparties.

SUBSEQUENT EVENTS

There were no material events after the date of the balance sheet that have a bearing on the understanding of these financial statements

INDEPENDENT AUDITORS

The auditors, PricewaterhouseCoopers LLP have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting

Urbanest UK Lambeth North Limited Partnership

General Partners' Report for the year ended 31 December 2018

GENERAL PARTNERS' RESPONSIBILITIES STATEMENT

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

Company law as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 (the "Regulations") requires the General Partners to prepare financial statements for each financial year. Under that law the General Partners have prepared the Limited Partnership financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 'Reduced Disclosure Framework'. Under company law as applied to qualifying partnerships the General Partners 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 partnership and of the profit or loss of the partnership for that period. In preparing these financial statements, the General Partners 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, including FRS 101 'Reduced Disclosure Framework' 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 partnership and group will continue in business.

The General Partners are responsible for keeping adequate accounting records that are sufficient to show and explain the partnership's transactions and disclose with reasonable accuracy at any time the financial position of the partnership and enable them to ensure that the financial statements comply with the Companies Act 2006 as applied to qualifying partnerships by the Regulations. They are also responsible for safeguarding the assets of the partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO THE AUDITORS

So far as each director of the General Partners is aware, there is no relevant audit information of which the Limited Partnership's auditors are unaware, and they have taken all steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Limited Partnership's auditors are aware of that information.



V Skinner
Director

For and on behalf of the General Partner,
Urbanest UK Lambeth North GP1 Limited

Date: 15 April 2019

Registered Number: LP014937



V Skinner
Director

For and on behalf of the General Partner,
Urbanest UK Lambeth North GP2 Limited

Date: 15 April 2019

Urbanest UK Lambeth North Limited Partnership

Independent Auditors' Report to the Members of Urbanest UK Lambeth North Limited Partnership

Report on the audit of the financial statements

Opinion

In our opinion, Urbanest UK Lambeth North Limited Partnership's financial statements:

- give a true and fair view of the state of the qualifying partnership's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law), and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008.

We have audited the financial statements, included within the Annual Report, which comprise: the balance sheet as at 31 December 2018, the statement of total comprehensive income, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the qualifying partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- the general partner's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the general partner has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the qualifying partnership'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.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the qualifying partnership's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the qualifying partnership's trade, customers, suppliers and the wider economy.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The general partner is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic Report and General partners' report, we also considered whether the disclosures required by the UK Companies Act 2006 as applied to qualifying partnerships have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below

Strategic Report and General partners' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and General partners' report for the year ended 31 December 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the qualifying partnership and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and General partners' report

Urbanest UK Lambeth North Limited Partnership

Independent Auditors' Report to the Members of Urbanest UK Lambeth North Limited Partnership

Responsibilities for the financial statements and the audit

Responsibilities of the General Partner for the financial statements

As explained more fully in the General Partner's Responsibilities Statement set out on page 2, the general partner is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The general partner is also responsible for such internal control as they determine is 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 general partner is responsible for assessing the qualifying partnership'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 general partner either intends to liquidate the qualifying partnership or to cease operations, or has 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 auditors' 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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinion, has been prepared for and only for the partners of the qualifying partnership as a body in accordance with the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 and for no other purpose. We do not, in giving this opinion, 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.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 as applied to qualifying partnerships 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 by the qualifying partnership, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of general partner's remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Thomas Norrie (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
15 April 2019

Urbanest UK Lambeth North Limited Partnership
Statement of Total Comprehensive Income for the year ended 31 December 2018

		Year ended 31 December 2018	Year ended 31 December 2017
	Notes	£	£
Turnover			
Property rental income	3	13,925,156	14,064,637
		13,925,156	14,064,637
Cost of sales			
Direct property costs	3,4	(195,162)	(167,093)
		13,729,994	13,897,544
Gross operating profit			
Administrative expenses	5	(1,282,264)	(1,266,948)
Fair value gain on Investment property	6	13,657,426	39,554,547
		26,105,156	52,185,143
Operating profit			
Interest receivable and similar income	7	2,752	1,235
Interest payable and similar charges	8	(4,822,261)	(5,135,667)
		21,285,647	47,050,711
Profit and total comprehensive income for the financial year attributable to the Partner transferred to the Partners' current account			
		21,285,647	47,050,711

All amounts arise from continuing operations. There is no material difference between reported profit for the financial year and historical cost profit on ordinary activities before taxation. There are no recognised gains and losses other than those shown in the Statement of Total Comprehensive Income above.

Notes 1 to 23 form part of these financial statements.

There are no items which would be recognised in a separate Statement of Total Comprehensive Income other than the profit for the financial year and therefore the Limited Partnership has adopted to present a single Statement of Total Comprehensive Income.

Urbanest UK Lambeth North Limited Partnership
Statement of Changes in equity for the year ended 31 December 2018

	Loans contributed by Partners Note 18 £	Partners' Capital account £	Partners' Current account £	Total Partners' funds £
At 1 January 2017	6,810,144	1	129,734,260	136,544,405
Profit for the financial year	-	-	47,050,711	47,050,711
Total comprehensive income	-	-	47,050,711	47,050,711
Loans contributed in the year	1,695,548	-	-	1,695,548
Loans repaid in the year	(335,509)	-	-	(335,509)
Distribution in the year	-	-	(8,752,608)	(8,752,608)
At 31 December 2017	8,170,183	1	168,032,363	176,202,547
Profit for the financial year	-	-	21,285,647	21,285,647
Total comprehensive income	-	-	21,285,647	21,285,647
Loans contributed in the year	2,955,303	-	-	2,955,303
Loans repaid in the year	(10,757,368)	-	-	(10,757,368)
Distribution in the year	-	-	(9,853,954)	(9,853,954)
At 31 December 2018	368,118	1	179,464,056	179,832,175

Urbanest UK Lambeth North Limited Partnership
Balance Sheet as at 31 December 2018

	Notes	31 December 2018 £	31 December 2017 £
Assets			
Non-current assets			
Investment properties	10	342,142,150	328,310,770
		342,142,150	328,310,770
Current assets			
Debtors	11	2,855,424	2,916,252
Cash and cash equivalents	12	2,479,014	3,031,949
		5,334,438	5,948,201
Creditors' amounts falling due within one year	13	(1,354,206)	(981,567)
Finance lease liability	16	(300,000)	(300,000)
Net current assets		3,680,232	4,666,634
Total assets less current liabilities		345,822,382	332,977,404
Creditors: amounts falling due after more than one year			
Secured loans	14, 15	(159,532,120)	(150,315,907)
Finance lease liability	16	(6,458,087)	(6,458,950)
		(165,990,207)	(156,774,857)
Net assets attributable to Partners represented by:		179,832,175	176,202,547
Loans contributed by Partners	18	368,118	8,170,183
Partners' capital accounts	19	1	1
Partners' current accounts		179,464,056	168,032,363
Total Partners' funds		179,832,175	176,202,547

Notes 1 to 23 form part of these financial statements

The financial statements on pages 6 to 19 were approved by the General Partners on 15 April 2019

Signed on behalf of the General Partner

V Skinner
Director
Urbanest UK Lambeth North GP1 Limited

V Skinner
Director
Urbanest UK Lambeth North GP2 Limited

Urbanest UK Lambeth North Limited Partnership

Notes to the financial statements for the year ended 31 December 2018

1. Authorisation of financial statements and statement of compliance with FRS 101

The financial statements of Urbanest UK Lambeth North Limited Partnership ("the Limited Partnership") for the year ended 31 December 2018 were authorised for issue by the Directors of the General Partners ("the Directors") on 15 April 2019 and the balance sheet was signed on the Directors' behalf by V Skinner. These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101") and in accordance with applicable accounting standards. The Limited Partnership's financial statements are presented in Sterling and all values are rounded to the nearest pound except when otherwise indicated

The principal accounting policies adopted by the Limited Partnership are set out in note 2

2. Accounting policies

The accounting policies which follow set out those policies consistently applied in all material respects to all the periods presented unless otherwise stated

(a) Basis of preparation

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 December 2018

The financial statements have been prepared in accordance with the Companies Act 2006 as applicable to qualifying limited partnerships by the Partnerships (Accounts) Regulations 2008 and in accordance with the Limited Partnership Agreement

The Limited Partnership has taken advantage of the following disclosure exemptions under FRS 101

(a) the requirements of IFRS 7 *Financial Instruments*

(b) the requirements of paragraphs 91-99 of IFRS 13 *Fair Value Measurement*

(c) the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of IAS 16 *Property, Plant and Equipment*, IAS 40 *Investment Property*

(d) the requirements of paragraphs 10(d), 10(f), 39(c) and 134-136 of IAS 1 *Presentation of Financial Statements*

(e) the requirements of IAS 7 *Statement of Cash Flows*

(f) the requirements of paragraphs 30 and 31 of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*

(g) the requirements of paragraph 17 of IAS 24 *Related Party Disclosures*

(h) the requirements in IAS 24 *Related Party Disclosures* to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

(i) the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 *Impairment of Assets*

(j) the requirements of IAS 8 *IFRSs issued but not effective*

The financial statements have been prepared on the historical cost basis, as modified by revaluation of investment properties, which have been measured at

fair value. The financial statements are presented in sterling, the functional currency which is the currency of the primary economic environment in which the Limited Partnership operates

(b) Going Concern

The General Partners of the Limited Partnership have reviewed the current and projected financial position of the Limited Partnership, making reasonable assumptions about future trading performance and believe that the Limited Partnership has adequate financial resources and is well placed to manage its business risks successfully to meet liabilities as they fall due and continue in operation for at least 12 months after these financial statements are signed

(c) Significant accounting judgements, estimates and assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

No judgements or estimates have had significant effect on amounts recognised in the financial statements

Revaluation of investment properties

The fair value of investment properties is determined by using valuation techniques. For further details of the judgements and assumptions made, see the 'Investment properties' section of the accounting policies and Note 10

(d) Fair value measurement

The Limited Partnership measures its financial instruments and non-financial assets such as investment properties at fair value at each balance sheet date, with changes in fair value being recognised in the statement of comprehensive income. The Limited Partnership engaged an independent valuation specialist to assess fair value as at 31 December 2018 for investment properties

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. The fair value measurement is based on the

presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Limited Partnership

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Limited Partnership uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Limited Partnership determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period

Urbanest UK Lambeth North Limited Partnership

Notes to the financial statements for the year ended 31 December 2018

2. Accounting policies (continued)

The Directors determine the policies and procedures for both recurring fair value measurement, such as investment properties. External valuers are involved for valuation of significant assets, such as investment properties. For the purpose of fair value disclosures, the Limited Partnership has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

(e) Revenue recognition

The turnover comprises property rental income received from third parties and subsidiary undertaking during the year in relation to investment properties held by the Limited Partnership. Rental income is recognised on a straight-line basis over the lease term. Service and management charges are recognised in the accounting period in which the services are rendered.

(f) Taxation

The Limited Partnership is an English limited partnership. As such, the Limited Partnership is not subject to taxes in the United Kingdom, but rather the results of the Limited Partnership will be allocated to the Partners who may be taxed on their share of the results of the Limited Partnership, depending on their own tax status.

(g) Investment properties

Investment properties are those properties, either owned by the Limited Partnership or where the Limited Partnership is a lessee under a finance lease, that are held either to earn rental income or for capital appreciation or both.

Investment properties are measured initially at cost, including related transaction costs. After initial recognition at cost, investment properties are carried at their fair value based on valuations determined by external valuers, Jones Lang LaSalle, as adapted by the Directors at each reporting date.

Investment properties are valued by adopting the "investment method" of valuation. This approach involves applying capitalisation yields to current and future rental streams net of income voids arising from vacancies or rent-free periods and associated running costs. These capitalisation yields and future rental values are based on comparable property and leasing transactions in the market using the valuers' professional judgement and market observation. Any gain or loss on re-measurement is taken direct to the Statement of Total Comprehensive Income in the period in which they arise including the corresponding tax effect.

Fair value is based on active market prices, adjusted, if necessary, for differences in the nature, location or condition of the specific asset. If this information is not available, the Limited

Partnership uses alternative valuation methods, such as recent prices on less active markets or discounted cash flow projections. Valuations are performed as of the financial position date by professional valuers who hold recognised and relevant professional qualifications and have recent experience in the location and category of the investment property being valued. These valuations form the basis for the carrying amounts in the financial statements.

Properties are treated as acquired at the point when the Limited Partnership assumes the significant risks and rewards of ownership and as disposed when these are transferred to the buyer. Additions to investment properties consist of costs of a capital nature. Certain internal staff and associated costs directly attributable to the management of major schemes during the construction phase are also capitalised.

(h) Borrowing costs

Borrowing costs associated with direct expenditure on investment properties or investment properties under development or undergoing major refurbishment are expensed to the Statement of Total Comprehensive Income, in accordance with IAS 23 as borrowing costs directly attributable to the acquisition, construction or production of qualifying assets that are measured at fair value are not required to be capitalised.

(i) Trade and other debtors

Trade and other debtors are amounts due from tenants for services provided in the ordinary course of business. Trade debtors, which generally have 0 - 30 day terms, are recognised and carried at the lower of their original invoiced value and recoverable amount. Provision for impairment is made through profit and loss when there is objective evidence that the Limited Partnership will not be able to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.

(j) Cash

Cash consists of cash in hand and deposits held with banks, which are instantly available.

Deposits with banks are held on both restricted and unrestricted accounts. Deposits held on restricted accounts are not readily available either because there is a charge over deposit or it is reserved for specific expenditure.

(k) Trade and other creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other creditors are recognised initially at fair value and subsequently at amortised cost using effective interest methods.

Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

(l) Financial Instruments

(i) Financial assets

Initial Recognition and measurement

Financial assets within the scope of IFRS 9 are classified, at initial recognition, as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, Available for sale (AFS) financial assets, or as derivatives designated as hedging instruments in an effective hedge. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

The Limited Partnership determines the classification of its financial assets at initial recognition. All financial assets are recognised initially at fair value plus directly attributable transaction costs. The Limited Partnership's financial assets include cash and short-term deposits, trade and other debtors, including current and non-current rent deposits.

Subsequent measurement

For purposes of subsequent measurement, all financial assets are classified as loans and receivables. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss in finance costs for loans and in cost of sales or other operating expenses for receivables.

This category generally applies to trade and other debtors.

(ii) Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, derivatives at fair value through profit or loss or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Limited Partnership determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, directly attributable transaction costs are also included.

Urbanest UK Lambeth North Limited Partnership

Notes to the financial statements for the year ended 31 December 2018

Subsequent measurement

Financial liabilities are classified as loans and borrowings. Obligations for loans and borrowings are recognised when the Limited Partnership becomes party to the related contracts and are measured initially at the fair value of consideration received less directly attributable transaction costs, including arrangement fees. After initial recognition, loans and borrowings are subsequently measured at amortised cost using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn-down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates. Gains and losses arising on the repurchase, settlement or otherwise cancellation of liabilities are recognised respectively in finance revenue and finance cost.

(m) Impairment of assets

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

(n) Allocation of profits/ losses

Profits or losses made by the Limited Partnership are allocated to individual Partners' current accounts in proportion to capital and loan contributions made by the Partners, levels of which are determined by the General Partners in accordance with the LPA.

(o) Partners' capital accounts

Partners' capital accounts comprise of capital contributions in the year net of any capital repayments in the form of distributions made by the Limited Partnership. There is no interest accruing on the Partners' capital accounts pursuant to Clause 9.5 of the LPA.

(p) Partners' current accounts

Partners' current accounts comprise of allocation of profits or losses made by the Limited Partnership net of any distributions made to Partners, which are not treated as capital or loan repayments. There is no interest accruing on credit balances in the Partners' current accounts pursuant to Clause 10.5 of the LPA.

(q) Loans from Partners

Loan contributions to the Limited Partnership by the Partners are interest free and have no fixed repayment date, in accordance with Clauses 10.5 and 17.5 of the LPA.

The loan contributions are treated as equity because in accordance with the Limited Partnership Agreement there is no contractual obligation to deliver cash or to exchange financial assets or financial liabilities with the Partner under conditions that are potentially unfavourable to the Limited Partnership. There is no fixed repayment date and there is no interest accruing on the loan.

Changes in accounting policy and disclosures

New standards, amendments and IFRIC interpretations

IFRS 9 and IFRS 15 are new accounting standards that are effective for the year ended 31 December 2018 and have had no material impact on the Limited Partnership.

There are no other amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 December 2018 have had a material impact on the Limited Partnership.

Urbanest UK Lambeth North Limited Partnership

Notes to the financial statements for the year ended 31 December 2018

3. Turnover

The turnover in the current year is attributable entirely to markets within the United Kingdom.

The turnover represents third party rental income and lease rental payments received from a fellow subsidiary undertaking

An analysis of revenue is given below

	Year ended 31 December 2018 £	Year ended 31 December 2017 £
Property rental income	1,845,384	1,939,134
Property rental income received from group undertaking	12,079,772	12,125,503
Total Property rental income	13,925,156	14,064,637
Direct property costs	(195,162)	(167,093)
Net rental income	13,729,994	13,897,544

Management have determined that the Limited Partnership operates a single operating segment within the UK student accommodation sector

The future aggregate minimum rentals receivable under non-cancellable operating leases are as follows:

	Year ended 31 December 2018 £	Year ended 31 December 2017 £
No later than 1 year	1,845,384	1,845,384
Later than 1 year and no later than 5 years	7,381,536	7,381,536
Later than 5 years	30,764,816	32,610,200
	39,991,736	41,837,120

4. Direct property costs

Direct property costs comprise building insurance and service charge costs relating to the investment property

5. Administrative expenses

Administrative expenses consist of all costs of running the Limited Partnership. No staff costs or overheads are capitalised

(a) Auditors' remuneration

The auditors' remuneration amounts to £7,293 (2017: £7,081) in relation to the audit of the financial statements

The auditors provided non-audit services to the Limited Partnership during the current year amounting to £10,000 (2017: £10,000).

(b) Employees

The Limited Partnership had no employees during the year (2017: nil)

(c) Directors' emoluments / Corporate Services

The Directors received no emoluments for their services to the Limited Partnership. However, there are Directors who receive salaries from another group undertaking in respect of their employment by that entity for which no apportionment or recharge was made

6. Fair value gain on Investment property

	Year ended 31 December 2018 £	Year ended 31 December 2017 £
Net gain in fair value of investment properties	13,657,426	39,554,547
	13,657,426	39,554,547

Urbanest UK Lambeth North Limited Partnership
Notes to the financial statements for the year ended 31 December 2018

7. Interest receivable and similar income

	Year ended 31 December 2018 £	Year ended 31 December 2017 £
Bank interest	2,752	1,235
	2,752	1,235

8. Interest payable and similar charges

	Year ended 31 December 2018 £	Year ended 31 December 2017 £
Interest payable on bank borrowings	3,885,441	3,878,174
Amortisation of arrangement fees	242,212	242,212
Finance charges payable under finance leases	299,137	299,174
Other finance costs	22,258	22,254
Interest payable on Intercompany loan note	373,213	693,853
	4,822,261	5,135,667

9. Fair value measurement of financial instruments

The accounting policies for financial instruments have been applied to the line items below:

Assets per the balance sheet	Loans and receivables 2018 £	Total 2018 £
Trade and other debtors excluding prepayments	2,773	2,773
Cash and cash equivalents	2,479,014	2,479,014
	2,481,787	2,481,787

Liabilities as per the balance sheet	Other financial liabilities at amortised cost 2018 £	Total 2018 £
Secured loan	159,532,120	159,532,120
Finance lease liability	6,758,087	6,758,087
Trade and other payables excluding accruals	456,678	456,678
	166,746,885	166,746,885

Urbanest UK Lambeth North Limited Partnership
Notes to the financial statements for the year ended 31 December 2018

9. Fair value measurement of financial instruments (continued)

Assets per the balance sheet	Loans and receivables	Total
	2017	2017
	£	£
Trade and other debtors excluding prepayments	178,173	178,173
Cash and cash equivalents	3,031,949	3,031,949
	3,210,122	3,210,122
Liabilities as per the balance sheet	Other financial liabilities at amortised cost	Total
	2017	2017
	£	£
Secured loan	148,551,446	148,551,446
Finance lease liability	6,758,950	6,758,950
Trade and other payables excluding accruals	235,719	235,719
	155,546,115	155,546,115

The carrying value of short term receivables and payables are assumed to approximate their fair values where discounting is not material. There are no assets or liabilities at fair value through profit or loss.

10. Investment Properties

	Investment Properties
	£
Fair value at 1 January 2017	288,669,390
Capital expenditure	135,453
Net gain from fair value adjustment	39,554,547
Amortisation of head lease asset	(48,620)
Fair value at 31 December 2017	328,310,770
Capital expenditure	222,574
Net gain from fair value adjustment	13,657,426
Amortisation of head lease asset	(48,620)
Fair value at 31 December 2018	342,142,150

The historic cost of investment properties is £135,736,476 (2017: £135,513,902).

Investment Properties are held at fair value as determined by an external valuer, using a discounted cash flow approach. A valuation model in accordance with that recommended by the International Valuation Standards Committee has been applied. These assets have been assessed as Level 3 assets in the fair value hierarchy.

The valuations were performed by Jones Lang LaSalle, an accredited independent valuer with a recognised and relevant professional qualification. Within the valuation, rental growth is assumed to range between 3.00% and 3.50% per annum (2017: 3.00% and 3.50%). Vacancy rates varying between 0.0% - 4.0% (2017: 0.0% - 4.0%) are applied depending on the terms of the tenancy agreements. The discounted cash flow uses a blended NPV Discount Rate of 6.92% (2017: 7.10%) reflecting all agreements, resulting in a net initial yield of 4.0% (2017: 4.10%). The yields on other spaces is 5.50% (2017: 5.86%).

The loan of £159,532,120 is secured against the Lambeth North property.

Urbanest UK Lambeth North Limited Partnership
Notes to the financial statements for the year ended 31 December 2018

11. Debtors

	2018	2017
	£	£
Trade Debtors	2,773	178,173
Amounts owed by group undertakings	528,270	399,975
Prepayments and accrued income	2,324,381	2,338,104
	2,855,424	2,916,252

Trade receivables are non-interest bearing and are generally on terms of 0 – 30 days.

As at 31 December 2018, trade receivables of an initial value of £nil (2017 £nil) were impaired and fully provided for

The amounts owed by parent undertaking are repayable on demand and carry no interest.

12. Cash and cash equivalents

	2018	2017
	£	£
Deposits held with banks on restricted accounts	2,479,014	3,031,949
	2,479,014	3,031,949

Deposits held with banks on restricted accounts comprise tenant deposits together with cash balances restricted under the terms of secured debt facilities, which are under the control of the lender

13. Creditors: amounts falling due within one year

	2018	2017
	£	£
Trade creditors	420,680	163,465
Amounts owed to group undertakings	3,015	3,015
Other creditors	35,998	72,254
Accruals and deferred income	894,513	742,833
	1,354,206	981,567

Trade creditors are non-interest bearing and are normally settled on 30 day terms

Amounts owed to group undertakings are repayable on demand and carry no interest.

14. Creditors: amounts falling due after more than one year

	2018	2017
	£	£
Secured Loans (note 15)	159,532,120	148,551,446
Intercompany loan note	-	1,764,461
	159,532,120	150,315,907

Secured loans comprise bank loans provided for the Limited Partnership's investment property. The intercompany loan note, issued by Urbanest UK Holdco Limited, is unsecured and was repaid in the year.

Urbanest UK Lambeth North Limited Partnership
Notes to the financial statements for the year ended 31 December 2018

15. Secured Loans

	Nominal value £	Unamortised issue costs £	Book value £
Secured loans as at 31 December 2018	161,700,000	(2,167,880)	159,532,120
Secured loans as at 31 December 2017	150,950,000	(2,398,554)	148,551,446

In accordance with IFRS 9 'Financial Instruments', loans are stated net of issue costs which are amortised over the life of the loans

The loan in Urbanest UK Lambeth North Limited Partnership of £161,700,000 (2017: £150,950,000) from M&G Investment Management Limited and Aviva Commercial Finance Limited has a maturity date of 29 October 2027, a fixed interest rate and is secured against the property at 199 Westminster Bridge Rd, SE1 7UT

The bank loan has been in compliance with all loan covenants during the year and at the year end

16. Finance lease liabilities

Minimum lease payments in respect of finance leases are as follows:

	2018 £	2017 £
Gross finance lease liabilities – minimum lease payments		
No later than 1 year	300,000	300,000
Later than 1 year and no later than 5 years	1,200,000	1,200,000
Later than 5 years	38,188,973	38,488,973
	39,688,973	39,988,973
Future finance charges on finance leases	(32,930,886)	(33,230,023)
Present value on finance leases	6,758,087	6,758,950

The present value of finance lease liabilities is as follows:

	2018 £	2017 £
No later than 1 year	902	863
Later than 1 year and no later than 5 years	4,034	3,860
Later than 5 years	6,753,151	6,754,227
Present value on finance leases	6,758,087	6,758,950

The obligations under the finance lease relates to the head lease on the property at Westminster. The contingent rents recognised as an expense in the profit and loss are £1,181,207 (2017: £1,168,675) and are calculated as of a percentage of rental income generated by the property, subject to a minimum lease payment

Urbanest UK Lambeth North Limited Partnership

Notes to the financial statements for the year ended 31 December 2018

17. Financial instruments risk management objectives and policies

The Limited Partnership has identified exposure to the following financial risks:

- Market risk
- Interest rate risk
- Credit risk
- Liquidity risk

The policies for managing each of these risks and the principal effects of these policies on the results for the period are summarised below

Market risk

Market risk is the risk that changes in market conditions such as interest rates will affect the Limited Partnership's income or valuations.

The Limited Partnership's exposure to market risk is restricted to that of interest rate changes on its borrowings. Borrowings at fixed rates expose the Limited Partnership to fair value interest rate risk.

The Limited Partnership finances its operations through a mixture of intercompany and external borrowings. The Limited Partnership borrows at fixed rates of interest and as such has limited exposure to interest rate risk.

All transactions entered into are approved by the Directors and in accordance with the Limited Partnership's treasury policy. The Directors monitor forecast interest rates and debt maturity profiles to ensure that the risk relating to interest rates is being sufficiently safeguarded against.

The valuation of the investment properties is inherently judgemental and involves a reliance on the work of independent professional qualified valuers. The Directors considered the independence and qualifications of the valuers engaged and reviewed the year end valuations, challenging the significant judgements and assumptions applied in their valuation model. Changes in these assumptions and judgements, such as occupancy rates and yields can lead to significant movements in property values and consequently unrealised gains or losses in the Statement of Total Comprehensive Income.

Interest rate risk

The Limited Partnership has reviewed the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Limited Partnership's profit before tax is affected through the impact on floating rate borrowings, as follows:

- (i) An increase of +0.5%, results in an additional interest charge of £nil
- (ii) A decrease of -0.5%, results in a reduction to the interest charge of £nil

Credit risk

The Limited Partnership's main financial assets are cash and cash equivalents, deposits with banks and trade and other receivables. Credit risk is the risk of financial loss of a tenant or a counterparty, if a financial instrument counterparty fails to meet its contractual obligations. The Limited Partnership's exposure to this risk principally relates to the receivables from tenants and cash and cash equivalents balances held with counterparties.

Cash and cash equivalents are held with major UK and Jersey clearing banks in order to minimise any risk exposure in this area. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	2018 £	2017 £
Cash and cash equivalents	2,479,014	3,031,949
Trade and other debtors	2,773	178,173
	2,481,787	3,210,122

Urbanest UK Lambeth North Limited Partnership
Notes to the financial statements for the year ended 31 December 2018

17. Financial instruments risk management objectives and policies (continued)

Liquidity risk

Liquidity risk is the risk that the Limited Partnership will not be able to meet its financial obligations as they fall due.

The Limited Partnership's approach to managing liquidity is to ensure that it will always have sufficient funds to meet obligations as they fall due. This is performed via a variety of methods including daily cash flow review and forecasting, monthly monitoring of the maturity profile of debt and the regular revision of borrowing facilities in relation to the Limited Partnership's requirements and strategy.

Cash flow is monitored formally on a monthly basis as part of internal performance monitoring with regular daily monitoring and forecasting undertaken to manage day to day cash flows and any balances which are ring-fenced by lenders.

The following is an analysis of the contractual undiscounted cash flows payable under financial liabilities existing at the balance sheet date.

Year ended 31 December 2018	On demand £	Less than 3 months £	3 to 12 months £	1 to 5 years £	>5 years £	Total £
Secured loans	-	1,039,325	3,117,974	16,629,196	177,636,312	198,422,807
Finance lease liability	-	75,000	225,000	1,200,000	38,488,973	39,988,973
Trade and other payables	-	456,678	-	-	-	456,678
		1,571,003	3,342,974	17,829,196	216,125,285	238,868,458

Year ended 31 December 2017	On demand £	Less than 3 months £	3 to 12 months £	1 to 5 years £	>5 years £	Total £
Secured loans	-	969,477	2,908,430	15,511,624	173,571,118	192,960,648
Finance lease liability	-	75,000	225,000	1,200,000	38,488,973	39,988,973
Trade and other payables	-	235,719	-	-	-	235,719
		1,280,196	3,133,430	16,711,624	212,060,091	233,185,340

18. Loans contributed by Partners

	Total £
At 1 January 2017	6,810,144
Loans contributed by partners	1,695,548
Loans repaid to partners	(335,509)
	<hr/>
At 31 December 2017	8,170,183
Loans contributed by partners	2,955,303
Loans repaid to partners	(10,757,368)
	<hr/>
At 31 December 2018	368,118

19. Partners' capital accounts

	Total £
At 1 January 2018	1
At 31 December 2018	1

20. Cash flow statement exemption

No cash flow statement has been prepared as the Limited Partnership has elected to make use of the disclosure exemption under Financial Reporting Standard 101 with regards to the requirements of IAS 7 Statement of Cash Flows.

Urbanest UK Lambeth North Limited Partnership

Notes to the financial statements for the year ended 31 December 2018

21. Related party transactions

The Limited Partnership is a wholly owned subsidiary within Urbanest UK Limited Partnership group ("the group"), and has therefore elected to make use of the exemption provided in the requirements of paragraph 17 of IAS 24 *Related Party Disclosures* relating to Key Management Personnel and also has made use of the election not to disclose related party transactions entered into between two or more wholly owned members of the group

The Limited Partnership did not enter into any transactions with related parties outside the group during the year (2017: £nil)

22. Ultimate controlling party

The immediate controlling parties of the Limited Partnership are considered to be the General Partners Urbanest UK Lambeth North GP1 Limited and Urbanest UK Lambeth North GP2 Limited, both companies registered in the United Kingdom. The immediate parent of Urbanest UK Lambeth North GP1 Limited and Urbanest UK Lambeth North GP2 Limited is Urbanest UK Holdco Limited, a company registered in Jersey

Urbanest UK Lambeth North Limited Partnership is owned by Urbanest UK Westminster Place Unit Trust, an entity registered in Jersey, whose immediate parent company is Urbanest UK Holdco Limited, a company registered in Jersey

The immediate parent of Urbanest UK Holdco Limited is Urbanest UK Limited Partnership an entity registered in Jersey

Urbanest UK Limited Partnership heads the smallest and the largest group, for which the consolidated financial statements are prepared. The financial statements of Urbanest UK Limited Partnership are available from 2nd Floor, Gaspé House, 66-72 Esplanade, St Helier, Jersey, JE1 1GH

The immediate controlling party of Urbanest UK Limited Partnership and the group is considered to be its General Partner, Urbanest UK GP Limited. The immediate parent of Urbanest UK Limited Partnership is Evergreen Other Portfolio Investments LLC an entity registered in Delaware

At 31 December 2018, the Limited Partnership considered the ultimate controlling party to be Evergreen Real Estate Partners LLC (2017: £nil)

23. Subsequent events

There were no material events after the date of the balance sheet that have a bearing on the understanding of these financial statements