

Real Estate Wisbech Limited
Director's report and financial statements
For the year ended 31 December 2016



Real Estate Wisbech Limited

**Director's report and financial
statements**

Registered number 06401913

For the year ended 31 December 2016



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Strategic report

Strategic report for the year ended 31 December 2016

The director presents his strategic report on the company for the year ended 31 December 2016.

Principal activities and business review

Real Estate Wisbech Limited's principal activity is to own and manage a purpose built automated frozen warehouse located in Wisbech. This warehouse and associated fixtures and fittings and equipment is owned in conjunction with a fellow group company, Partner Logistics Wisbech B.V. and is operated by Partner Logistics Wisbech Limited a fellow group company.

Review of the business and future developments

Real Estate Wisbech Limited continued to rent their warehouse to Partner Logistics Wisbech Limited up until 31 March 2017. Partner Logistics Wisbech B.V. completed the transfer of the trade and assets from Real Estate Wisbech Limited to Partner Logistics Wisbech Limited on 13 April 2017 and it is the Directors' intention to wind up the company within the next twelve months.

The loss for the financial year of the company should be considered together with the result of Partner Logistics Wisbech Limited which provides the operational activities and the Partner Logistics branch of Partner Logistics Wisbech B.V.. In 2016 the combined loss after tax amounts to £ 462,385 the combined foreign exchange losses amounts to £ 2,065,223.

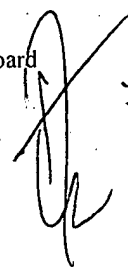
Position of the business

The company suffered a loss of £ 405,022 for the financial year ended 31 December 2016. This compares to a profit of £ 5,530,335 for the financial year ended 31 December 2015.

Principal risk and uncertainties

From the perspective of the company, the principal risks and uncertainties are aligned with the principal risks of the group and are not managed separately. The principal risk of Real Estate Wisbech Limited is the same as the principal risk of Partner Logistics Wisbech Limited. The principal risk of Partner Logistics Wisbech Limited is that customer demand for storage declines. This risk is managed in various ways, including via the existence of minimum volume guarantees in some customer contracts, ensuring a mix of customers on site, and proactively looking for new customers if there are indicators that occupation is not on the desired level.

On behalf of the board
D. Buijze
Director
14 December 2017



Director's report

Director's report for the year ended 31 December 2016

The director presents his report and the audited financial statements of the company for the year ended 31 December 2016.

Future developments

For the director's comments on future developments please see the Strategic Report on page 4.

Dividends

No dividends are paid in the year ended 31 December 2016.

Financial risk management

Due to the nature of the activities, the company is exposed to a variety of financial risks that include the effects of market risks, credit risks and liquidity risks. Given the size of the company, the directors has assumed direct responsibility for monitoring financial risk management and have not delegated the responsibility to a sub-committee of the Board.

Market risks

There is a foreign currency risk because the activities of the business are accounted for in GBP, but the company holds a number of loans which are denominated in Euro. This risk is partially mitigated due to a natural hedge.

Credit risks

The company has no significant direct credit risks as the company transacts primarily with other group companies. The intercompany credit risk depends on the risks applicable for Partner Logistics Wisbech Limited but this risk is minimised due to the fact its customers have been subjected to the group credit check. The average payment term of the ultimate customer is 60 to 90 days.

Liquidity risks

In order to maintain liquidity to ensure that sufficient funds are available for on-going operations, the company uses inter-group loans from Partner Logistics Wisbech B.V.

Directors

The director of the company who was in office during the year and up to the date of signing of the financial statements (unless otherwise stated) was:

D. Buijze

Qualifying third-party indemnity provisions

A liability insurance for directors and the supervisory board of the ultimate parent is applicable.

Post balance sheet events

For the director's comments on post balance sheet events please see the Strategic Report on page 4.

Director's report (continued)

Basis of preparation

In 2016 the combined loss for the financial year of Partner Logistics Wisbech Limited and Real Estate Wisbech Limited and the Partner Logistics branch of Partner Logistics Wisbech B.V. amounts to £ 462,385 the combined foreign exchange losses amounts to £ 2,065,223.

In 2017, the directors have restructured the business by transferring the trade and assets of Real Estate Wisbech Limited to Partner Logistics Wisbech Limited on 13 April 2017 and following that, it's their intention to wind up Real Estate Wisbech Limited within the next twelve months. Accordingly the going concern basis of preparation is no longer appropriate and these financial statements have been prepared on a basis other than going concern. Adjustments have been made to reclassify the fixed assets as current assets. No other adjustments were necessary. The principal accounting policies, which have been applied consistently throughout the year, are set out in note 3 and where necessary, have been updated to include any policies which are now considered significant given the presentation of the financial statements on a basis other than going concern.

Although HemGra Investments III B.V., the company's immediate parent undertaking, has confirmed that it will support the company in not recalling its loan and associated overdue interest for a period of at least twelve months from the date of approval of these financial statement, it is the director's intention to wind up the company.

Statement of director's responsibilities

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

Company law requires the director to prepare financial statements for each financial year. Under that law the director have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Under company law the director must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the director are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, 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 presume that the company will continue in business.

The director 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 director 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.

Director's report (continued)

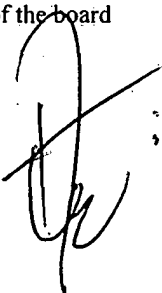
In the case of each director in office at the date the Director's Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Approved by the director on 14 December 2017:

On behalf of the board

D. Buijze
Director

A handwritten signature in black ink, appearing to be 'D. Buijze', written over the printed name and title.

Independent auditors' report to the members of Real Estate Wisbech Limited

Report on the financial statements

Our opinion

In our opinion, Real Estate Wisbech Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter - Basis of preparation

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 3(a) to the financial statements concerning the basis of preparation. In 2017, the director have restructured the business by transferring the trade and assets of Real Estate Wisbech Limited to Partner Logistics Wisbech Limited on 13 April 2017 and following that, it's their intention to wind up Real Estate Wisbech Limited within the next twelve months. Accordingly, the going concern basis of preparation is no longer appropriate and the financial statements have been prepared on a basis other than going concern as described in note 3(a) to the financial statements. Adjustments have been made in these financial statements to reclassify the fixed assets as current assets. No other adjustments were necessary.

What we have audited

The financial statements, included within the Director's report and financial statements (the "Annual Report"), comprise:

- the Balance Sheet as at 31 December 2016;
- the Profit and loss account for the year then ended;
- the Statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the director have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Director's Report have been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic Report and the Director's Report. We have nothing to report in this respect.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

Director's remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of director's remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the director

As explained more fully in the Statement of director's responsibilities set out on page 6, the director are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the director; and
- the overall presentation of the financial statements.

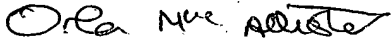
We primarily focus our work in these areas by assessing the director's judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Real Estate Wisbech Limited
Director's report and financial statements
For the year ended 31 December 2016

With respect to the Strategic Report and Director's Report, we consider whether those reports include the disclosures required by applicable legal requirements.



Orla MacAllister (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Belfast

14 December 2017

Profit and loss account for the year ended 31 December 2016

(All amounts in £ unless otherwise stated)

	Note	2016	2015
Turnover	5	2,998,800	3,148,800
Gross profit		2,998,800	3,148,800
Administrative expenses		(513,010)	(784,869)
Other operating income / (expense)		670,365	(63,624)
Operating profit	6	3,156,155	2,300,307
Interest receivable and similar income	8	0	5,518,664
Interest payable and similar expenses	8	(3,541,569)	(844,693)
Net interest (expenses) / income	8	(3,541,569)	4,673,971
(Loss) / Profit before taxation		(385,414)	6,974,278
Tax on (loss) / profit	9	(19,608)	(1,443,943)
(Loss) / Profit for the financial year		(405,022)	5,530,335

There were no other items of comprehensive income therefore no separate statement of other comprehensive income is presented.

Balance sheet as at 31 December 2016

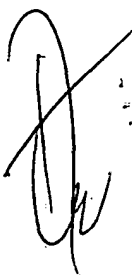
(All amounts in £ unless otherwise stated)

	Note	2016	2015
Fixed assets			
Tangible assets	10	0	10,627,340
		0	10,627,340
Current assets			
Stocks	11	230,125	161,801
Debtors	12	15,556,376	11,905,994
Current tangible assets	14	10,343,686	0
Cash at bank and in hand		3,027	3,918
		26,133,214	12,071,713
Creditors: amounts falling due within one year	15	(28,062,795)	(24,223,612)
Net current liabilities		(1,929,581)	(12,151,899)
Total assets less current liabilities		(1,929,581)	(1,524,559)
Net liabilities		(1,929,581)	(1,524,559)
Capital and reserves			
Called up share capital	18	2	2
Profit and loss account	19	(1,929,583)	(1,524,561)
Total equity		(1,929,581)	(1,524,559)

The notes on pages 14 to 29 are an integral part of these financial statements.

The financial statements on pages 11 to 29 were approved by the Board of Director on 14 December 2017 and signed on its behalf by.

D. Buijze
Director
Registered number: 06401913



Statement of changes in equity for the year ended 31 December 2016

(All amounts in £ unless otherwise stated)

	Note	Called up share capital	Profit and loss account	Total equity
Balance as at 1 January 2015	18/19	2	(7,054,896)	(7,054,894)
Profit for the financial year		0	5,530,335	5,530,335
Balance as at 31 December 2015	18/19	2	(1,524,561)	(1,524,559)
Balance at 1 January 2016	18/19	2	(1,524,561)	(1,524,559)
Loss for the financial year		0	(405,022)	(405,022)
Balance as at 31 December 2016	18/19	2	(1,929,583)	(1,929,581)

Notes to the financial statements

(All amounts in £ unless otherwise stated)

1 General Information

Real Estate Wisbech Limited's principal activity is to own and manage a purpose built automated frozen warehouse located in Wisbech. This warehouse and associated fixtures and fittings and equipment is owned in conjunction with a fellow group company, Partner Logistics Wisbech B.V. and is operated by Partner Logistics Wisbech Limited, a fellow group company.

The company is a private company limited by shares and is incorporated and domiciled in the United Kingdom. The address of its registered office is Unilever Site Corinum Avenue, Barnwood Gloucester, Gloucestershire, GL4 3BW.

2 Statement of compliance

The individual financial statements of Real Estate Wisbech Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The company has adopted FRS 102 in these financial statements.

(a) Basis of Preparation

The financial statements have been prepared under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value, and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and in the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

In 2017, the directors have restructured the business by transferring the trade and assets of Real Estate Wisbech Limited to Partner Logistics Wisbech Limited on 13 April 2017 and following that, it's their intention to wind up Real Estate Wisbech Limited within the next twelve months. Accordingly the going concern basis of preparation is no longer appropriate and these financial statements have been prepared on a basis other than going concern. Adjustments have been made to reclassify the fixed assets as current assets. No other adjustments were necessary. The principal accounting policies, which have been applied consistently throughout the year, are set out in note 3 and where necessary, have been updated to include any policies which are now considered significant given the presentation of the financial statements on a basis other than going concern.

Although HemGra Investments III B.V, the company's immediate parent undertaking, has confirmed that it will support the company in not recalling its loan and associated overdue interest for a period of at least twelve months from the date of approval of these financial statement, it is the director's intention to wind up the company.

Notes to the financial statements (continued)

3 Summary of significant accounting policies (continued)

(All amounts in £ unless otherwise stated)

(b) Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions.

The company has taken advantage of the following exemptions:

- the company has taken advantage of the exemption, under FRS 102 paragraph 1.12(b) from preparing a statement of cash flows, on the basis that it is a qualifying entity and its parent company, Ice Cold Storage Holding B.V., includes the company's cash flows in its own consolidated financial statements;
- from the financial instrument disclosures, required under FRS 102 paragraphs 11.39 to 11.48A and paragraphs 12.26 to 12.29, as the information is provided in the consolidated financial statement disclosures;
- from disclosing the company key management personnel compensation, as required by FRS 102 paragraph 33.7; and
- from disclosing related party transactions that are wholly owned within the same group under paragraph 33.1A from the provisions of FRS 102, on the grounds that at 31 July 2017 it was a wholly owned subsidiary.

(c) Foreign currency

(i) Functional and presentation currency

The company's functional and presentation currency is the pound sterling.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit and loss account within 'Net interest expense'. All other foreign exchange gains and losses are presented in the profit and loss account within 'Other operating (expense) / income'.

Notes to the financial statements (continued)

3 Summary of significant accounting policies (continued)

(All amounts in £ unless otherwise stated)

(d) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for services rendered, net of returns, discounts and rebates allowed by the company and value added taxes.

The company bases its estimate of returns on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Where the consideration receivable in cash or cash equivalents is deferred, and the arrangement constitutes a financing transaction, the fair value of the consideration is measured as the present value of all future receipts using the imputed rate of interest.

The company recognises revenue when (a) the significant risks and rewards of ownership have been transferred to the buyer; (b) the amount of revenue can be measured reliably; (c) it is probable that future economic benefits will flow to the entity and (d) when the specific criteria relating to the each of company's sales channels have been met, as described below.

(i) Sale of services

Revenue is recognised in the accounting period in which the services are rendered when the outcome of contract can be estimated reliably.

(ii) Interest income

Interest income is recognised using the effective interest rate method.

(e) Exceptional items

The company classifies certain one-off charges or credits that have a material impact on the company's financial results as 'exceptional items'. These are disclosed separately to provide further understanding of the financial performance of the company.

(f) Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account.

Current or deferred taxation assets and liabilities are not discounted.

(i) Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(ii) Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Notes to the financial statements (continued)

3 Summary of significant accounting policies (continued)

(All amounts in £ unless otherwise stated)

(ii) Deferred tax (continued)

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

(g) Tangible assets

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs and borrowing costs capitalised.

(i) Land & buildings

Land and buildings include freehold factories and offices. Land and buildings are stated at cost less accumulated depreciation and accumulated impairment losses.

(ii) Fixtures, fittings, tools and equipment

Fixtures, fittings, tools and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

(iii) Depreciation and residual values

Land is not depreciated. Depreciation on other assets is calculated, using the straight-line method, to allocate the cost to their residual values over their estimated useful lives, as follows:

- Freehold buildings – over periods up to 30 years
- Plant and machinery – 5 – 10 years
- Tools and equipment – 5 – 10 years

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

(iv) Subsequent additions and major components

Subsequent costs, including major inspections, are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that economic benefits associated with the item will flow to the company and the cost can be measured reliably.

The carrying amount of any replaced component is derecognised. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

Repairs, maintenance and minor inspection costs are expensed as incurred.

(v) Assets in the course of construction

Assets in the course of construction are stated at cost. These assets are not depreciated until it is available for use.

Notes to the financial statements (continued)

3 Summary of significant accounting policies (continued)

(All amounts in £ unless otherwise stated)

(vi) Derecognition

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss and included in 'Other operating (losses)/gains'.

(h) Impairment of non-financial assets

At each balance sheet date non-financial assets are assessed to determine whether there is an indication that the asset (or asset's cash generating unit) may be impaired. If there is such an indication the recoverable amount of the asset (or asset's cash generating unit) is compared to the carrying amount of the asset (or asset's cash generating unit).

The recoverable amount of the asset (or asset's cash generating unit) is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future cash flows before interest and tax obtainable as a result of the asset's (or asset's cash generating unit) continued use. These cash flows are discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks inherent in the asset.

If the recoverable amount of the asset (or asset's cash generating unit) is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the profit and loss account, unless the asset has been revalued when the amount is recognised in other comprehensive income to the extent of any previously recognised revaluation. Thereafter any excess is recognised in profit or loss.

If an impairment loss is subsequently reversed, the carrying amount of the asset (or asset's cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the profit and loss account.

(i) Stock

Stock are stated at the lower of cost and net realisable value. Obsolete and slow moving stock is written off directly to the Profit and loss account.

At the end of the year there is an inventory of the stock and the stock is valued at the lower of cost and net realisable value. If an item of the stock is impaired, the identified stock is reduced to its selling price less costs to complete and sell and an impairment charge is recognised in the profit and loss account. Where a reversal of the impairment is recognised the impairment charge is reversed, up to the original impairment loss, and is recognised as a credit in the profit and loss account.

(j) Cash and cash equivalents

Cash and cash equivalents includes cash in hand or less and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Notes to the financial statements (continued)

3 Summary of significant accounting policies (continued)

(All amounts in £ unless otherwise stated)

(k) Provisions and contingencies

(i) Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

In particular:

(i) Restructuring provisions are recognised when the company has a detailed, formal plan for the restructuring and has raised a valid expectation in those affected by either starting to implement the plan or announcing its main features to those affected and therefore has a legal or constructive obligation to carry out the restructuring; and

(ii) Provision is not made for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as a finance cost.

(ii) Contingencies

Contingent liabilities are not recognised. Contingent liabilities arise as a result of past events when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the company's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

Notes to the financial statements (continued)

3 Summary of significant accounting policies (continued)

(All amounts in £ unless otherwise stated)

(1) Financial instruments

The company has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial assets

Basic financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price.

Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans and loans from fellow group companies that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that 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.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Notes to the financial statements (continued)

3 Summary of significant accounting policies (continued)

(All amounts in £ unless otherwise stated)

(iii) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

(m) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(n) Distributions to equity holders

Dividends and other distributions to company's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the company's shareholders. These amounts are recognised in the statement of changes in equity.

(o) Related party transactions

The company discloses transactions with related parties which are not wholly owned with the same group. It does not disclose transactions with members of the same group that are wholly owned.

4 Critical accounting judgements and estimation uncertainty

(All amounts in £ unless otherwise stated)

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed below.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical judgements in applying the entity's accounting policies

There were no critical judgements in applying the company's accounting policies.

(b) Critical accounting estimates and assumptions

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(i) Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 10 for the carrying amount of the property plant and equipment, and note 3(h) for the useful economic lives for each class of assets.

Notes to the financial statements (continued)

3 Critical accounting judgements and estimation uncertainty (continued)

(All amounts in £ unless otherwise stated)

(ii) Impairment of debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the ageing profile of debtors and historical experience. See note 12 for the net carrying amount of the debtors and associated impairment provision.

5 Turnover

(All amounts in £ unless otherwise stated)

Analysis of turnover by category:

	2016	2015
Other income	2,998,800	3,148,800
	2,998,800	3,148,800

All income is derived from sales in the United Kingdom.

6 Operating profit

(All amounts in £ unless otherwise stated)

Operating profit is stated after charging / (crediting):

	Note	2016	2015
Depreciation of tangible assets	10	418,105	307,269
Foreign exchange gains on trade receivables		670,365	(63,624)

In 2016 the remuneration of the auditors for the normal activities was borne by a fellow subsidiary company, Partner Logistics Wisbech Limited.

In accordance with SI 2008/489 the company has not disclosed the fees payable to the company's auditors for 'Other services' as this information is included in the consolidated financial statements of Ice Cold Storage Holding B.V.

7 Employees and directors

(All amounts in £ unless otherwise stated)

Employees

During the year, the company had no employees.

Directors

The director is remunerated by Ice Cold Storage Holding B.V. (Netherlands). He did not receive any remuneration for his services to the UK company during the year (2015: nil) and accordingly no recharge is made.

Notes to the financial statements (continued)

8 Net interest (expenses) / income
 (All amounts in £ unless otherwise stated)

(a) Interest receivable and similar income

	2016	2015
Foreign exchange gains loans and cash	0	826,164
Total interest income on financial liabilities not measured at fair value through profit or loss	0	826,164
Gains on derivative financial instruments	0	4,692,500
Total interest receivable and similar income	0	5,518,664

(b) Interest payable and similar expenses

	2016	2015
Interest payable on overdrafts and bank loans	(875)	(1,131)
Interest payable on other loans	(959,143)	(843,562)
Total interest expense on financial liabilities not measured at fair value through profit or loss	(960,018)	(844,693)
Foreign exchange losses loans and cash	(2,581,551)	0
Total interest payable and similar expenses	(3,541,569)	(844,693)

(c) Net interest (expenses) / income

	2016	2015
Interest receivable and similar income	0	5,518,664
Interest payable and similar expenses	(3,541,569)	(844,693)
Net interest (expenses) / income	(3,541,569)	4,673,971

Notes to the financial statements (continued)

9 Tax on (loss) / profit

(All amounts in £ unless otherwise stated)

(a) Tax expense included in profit or loss

	2016	2015
Current tax:		
– UK Corporation tax on (loss)/profits for the financial year	0	0
Total current tax	0	0
Deferred tax:		
– Origination and reversal of timing differences	50,729	903,460
– Tax losses carried forward	40	517,596
– Impact of change in tax rate	(31,161)	22,887
Total deferred tax	19,608	1,443,943
Tax on (loss) / profit	19,608	1,443,943

(b) Reconciliation of tax charge

Tax assessed for the year is higher (2015: higher) than the standard rate of corporation tax in the UK for the year ended 31 December 2016 of 20% (2015: 20.25%). The differences are explained below:

	2016	2015
(Loss) / Profit before taxation	(385,414)	6,974,278
(Loss) / Profit before taxation multiplied by the standard rate of tax in the UK of 20% (2015: 20.25%)	(77,083)	1,412,291
Effects of:		
– Capital allowances in excess of depreciation	0	406
– Utilisation of tax losses	40	(6,473)
– Other timing differences	0	(14,512)
– Expenses not deductible for tax purposes	0	29,344
– Impact of change in tax rate	(31,161)	22,887
– Group relief surrendered free of charge	127,812	0
Tax on (loss) / profit	19,608	1,443,943

(c) Tax rate changes

The tax rate for the current year is lower than the prior year due to changes in the UK Corporation tax rate which decreased from 21% to 20% from 1 April 2015.

A reduction in the UK Corporation tax rate from 20% to 19% from 1 April 2017 was enacted in November 2015. A further reduction in the rate to 17% from 1 April 2020 was enacted in September 2016. A rate of 18% is applied to deferred tax balances.

Notes to the financial statements (continued)

10 Tangible assets

(All amounts in £ unless otherwise stated)

	Freehold land	Buildings	Fixtures and fittings	Equipment	Total
At 1 January 2015					
Cost	1,262,700	7,656,877	3,954,225	128,398	13,002,200
Accumulated depreciation and impairment	0	(1,364,855)	(934,034)	(75,971)	(2,374,860)
Net book amount	1,262,700	6,292,022	3,020,191	52,427	10,627,340
Year ended 31 December 2015					
Opening net book amount	1,262,700	6,292,022	3,020,191	52,427	10,627,340
Additions	0	0	126,879	7,572	134,451
Disposals	0	0	0	0	0
Depreciation charge for the year	0	(216,854)	(188,159)	(13,092)	(418,105)
Closing net book amount	1,262,700	6,075,168	2,958,911	46,907	10,343,686
At 31 December 2016					
Cost	1,262,700	7,656,877	4,081,104	135,970	13,136,651
Transfer to current assets (note 14)	(1,262,700)	(7,656,877)	(4,081,104)	(135,970)	(13,136,651)
Accumulated depreciation and impairment	0	(1,581,709)	(1,122,193)	(89,063)	(2,792,965)
Transfer to current assets (note 14)	0	1,581,709	1,122,193	89,063	2,792,965
Net book amount	0	0	0	0	0

The company's ultimate customers have a charge over the assets of the company as security for continuous delivery of storage services in the event of failure.

The tangible fixed assets are leased out to fellow subsidiaries of the group under operating leases.

In 2017, the directors have restructured the business by transferring the trade and assets of Real Estate Wisbech Limited to Partner Logistics Wisbech Limited and following that, plan to wind up Real Estate Wisbech Limited. Accordingly the fixed assets have been reclassified to current assets (note 14).

Notes to the financial statements (continued)

11 Stocks

(All amounts in £ unless otherwise stated)

	2016	2015
Raw material and consumables	230,125	161,801

12 Debtors

(All amounts in £ unless otherwise stated)

	2016	2015
Amounts owed by group undertakings	15,267,500	11,576,562
Taxation and social security	0	6,949
Deferred tax assets	186,370	205,978
Prepayments and accrued income	102,506	116,505
	15,556,376	11,905,994

Debtors includes £nil (2015: £ 205,978) falling due after more than one year.

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

13 Deferred tax assets

(All amounts in £ unless otherwise stated)

The company had the following deferred tax receivables during the year:

	Deferred tax	Total
At 1 January 2016	(205,978)	(205,978)
Additions dealt with in profit or loss	19,608	19,608
At 31 December 2016	(186,370)	(186,370)

Deferred tax

The deferred tax consists of the following deferred tax receivables (assets):

	2016	2015
Capital allowances in excess of depreciation	305,739	286,167
Tax losses carried forward	(492,109)	(492,145)
Total provision	(186,370)	(205,978)

The amount of unused tax losses is £ 2,733,938.

The amount of £ nil (2015: nil) of the deferred tax can be classified as longer than one year.

Notes to the financial statements (continued)

14 Current tangible assets

(All amounts in £ unless otherwise stated)

	2016	2015
Freehold land	1,262,700	0
Buildings	6,075,168	0
Fixtures and fittings	2,958,911	0
Equipment	46,907	0
	10,343,686	0

In 2017, the directors have restructured the business by transferring the trade and assets of Real Estate Wisbech Limited to Partner Logistics Wisbech Limited and following that, plan to wind up Real Estate Wisbech Limited. Accordingly the fixed assets have been reclassified to current assets.

15 Creditors: amounts falling due within one year

(All amounts in £ unless otherwise stated)

	2016	2015
Bank loans and overdrafts	0	0
Loans from group companies	9,937,450	8,566,828
Trade creditors	39,478	88,252
Amounts owed to group undertakings	17,993,892	15,477,309
Accruals and deferred income	91,975	91,223
	28,062,795	24,223,612

Amounts due to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

16 Loans and other borrowings

(All amounts in £ unless otherwise stated)

	2016	2015
Overdraft	0	0
Amount drawn down on group credit facility	9,937,450	8,566,828
	9,937,450	8,566,828

Loans from group companies are from HemGra Investments III B.V. These loans are unsecured and have no fixed repayment date. The interest is based on 3 month Euribor with a mark-up of 5%, and minimum interest rate per year of 10%.

In 2017, the directors have restructured the business by transferring the trade and assets of Real Estate Wisbech Limited to Partner Logistics Wisbech Limited and following that, plan to wind up Real Estate Wisbech Limited. The loan will be settled by the purchaser.

Notes to the financial statements (continued)

17 Financial instruments

(All amounts in £ unless otherwise stated)

The company has the following financial instruments:

	Note	2016	2015
Financial assets that are debt instruments measured at amortised cost			
- Amounts owed by group undertakings	12	15,267,500	11,576,562
- Other receivables	12	0	6,949
- Accrued income	12	102,506	116,505
		15,370,006	11,700,016
Financial liabilities measured at amortised cost			
- Bank loans and overdrafts	14/15	0	0
- Loans from group companies	14/15	9,937,450	8,566,828
- Trade creditors	14	39,478	88,252
- Amounts owed to group undertakings	14	17,993,892	15,477,309
		27,970,820	24,132,389

18 Called up share capital

Ordinary shares of £1 each

	2016 No.	2016 £
Allotted and fully paid		
At 1 January	2	2
Issued during the year	0	0
At 31 December	2	2

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

19 Profit and loss account

(All amounts in £ unless otherwise stated)

	Profit and loss account
At 1 January 2016	(1,524,561)
Loss for the financial year	(405,022)
At 31 December 2016	(1,929,583)

20 Contingent liabilities

Real Estate Wisbech Limited entered a joint guarantee on a € 32,200,000 loan with ABN Amro Bank on behalf of Partner Logistics Wisbech B.V. originally in March 2009, amended and restated in September 2015 into a loan of £ 16,719,500 and a credit facility of € 7,000,000. The loan is subject to a range of financial covenants. The current amount outstanding on this loan, as at the date of signing these financial statements, is £ 12,785,500 (2015: £15,736,000).

In 2017, the directors have restructured the business by transferring the trade and assets of Real Estate Wisbech Limited to Partner Logistics Wisbech Limited and following that, plan to wind up Real Estate Wisbech Limited. All liabilities and obligations as guarantor to the Bank in accordance with the terms of the Amendment and Restatement Agreement will be settled by the purchaser.

Notes to the financial statements (continued)

21 Related party transactions

The company is exempt from disclosing other related party transactions as they are with other companies that are wholly owned within the Group.

22 Controlling parties

The immediate parent undertaking is HemGra Investments III B.V., a company incorporated in Holland.

In 2017, the directors have restructured the business by transferring the trade and assets of Real Estate Wisbech Limited to Partner Logistics Wisbech Limited and following that, plan to wind up Real Estate Wisbech Limited. The immediate parent of Partner Logistics Wisbech Limited is HemGra Exploitation B.V., a company incorporated in Holland.

The smallest group into which the company is consolidated is Partner Logistics Investment B.V., incorporated in Holland. Copies of these financial statements may be obtained from:

Partner Logistics Investment B.V.
Blankenweg 2
4612 RC Bergen op Zoom
PO Box 18001
4601 ZA Bergen op Zoom
Holland

The ultimate parent undertaking and largest group to consolidate these financial statements is Ice Cold Storage Holding B.V., incorporated in Holland. Copies of the Ice Cold Storage Holding B.V. consolidated financial statements can be obtained from:

Ice Cold Storage Holding B.V.
Blankenweg 2
4612 RC Bergen op Zoom
PO Box 18001
4601 ZA Bergen op Zoom
Holland

The ultimate controlling party is Ice Cold Storage Holding B.V.

23 Events after the end of the reporting period

Real Estate Wisbech Limited continued to rent their warehouse to Partner Logistics Wisbech Limited up until 31 March 2017. Partner Logistics Wisbech B.V. completed the transfer of the trade and assets from Real Estate Wisbech Limited to Partner Logistics Wisbech Limited on 13 April 2017 and it is the Directors' intention to wind up the company during 2017.